



**SIRIM QAS INTERNATIONAL SDN. BHD.**  
Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri,  
Section 2, 40700 Shah Alam, Selangor, Malaysia.

File Ref. : EP09760003

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT** : Ribubonus Certification Unit

**PARENT COMPANY** : PPB Oil Palms Berhad

**RSPO MEMBERSHIP No.:** 1-0011-04-000-00

**LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):**  
(In the case of multisite certification, list additional sites in attachments) :

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
Ribubonus Certification Unit	Ribubonus Palm Oil Mill	5° 41' 20" N	117° 05' 34" E	Ribubonus Palm Oil Mill Lot 1A, KM 15, Jalan Labuk, 90009 Sandakan, Sabah, Malaysia.
	Ribubonus Estate	5° 41' 33" N	117° 05' 50" E	

**MAP** : See Attachment 1

**AUDIT DATE** : 12 – 14 July 2017

**DURATION** : 9.0 auditor days

**TYPE OF AUDIT** :  Annual Surveillance Audit No. 2  Recertification Audit

**STANDARD** : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014

**SCOPE OF CERTIFICATION:** Production of Sustainable Crude Palm Oil and Palm Kernel Using the Mass Balance Supply Chain Model

**VALIDITY OF RSPO CERTIFICATE** : 7 September 2015 – 6 September 2020

**The following attachments form part of this report:**

Non-conformity Report(s)

List of additional site(s)

**Report by Audit Team Leader**

**Acknowledgement by Client's Representative**

Name : RUZITA ABD GANI

Name : Edrin Moss

Signature :

Signature :

Date : 24 October 2017

Date : 25th October 2017

## RSPO P&C AUDIT REPORT

### SUMMARY OF AUDITS

Recertification audit				
On-site audit date	:	23 – 25/6/2015	No. of auditor days	: 9
Audit team	:	Mohd Hafiz Mat Hussain (LA), Khairul Najwan Ahmad Jahari and Valence Shem		
No. of major NCR	:	NA	Indicator: NA	Closing date :
No. of minor NCR	:	2	Indicator : 6.5.3 & 6.9.3	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		X
		Contract workers	NGOs	Govt. agency
		X	X	X
		Indigenous people	Contractor	Others (Please specify)
			X	
Supply base sampled	:	Ribubonus Estate		

Annual Surveillance Audit 1				
On-site audit date	:	22 – 24 June 2016	No. of auditor days	: 9
Audit team	:	Mohd Razman Salim, Mohd Zulfakar Kamaruzaman, Selvasingam T Kandiah & Ismail Ibrahim		
No. of major NCR	:	0	Indicator: NA	Closing date : NA
No. of minor NCR	:	3	Indicator : 2.1.2, 4.1.2 & 6.5.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		X
		Contract workers	NGOs	Govt. agency
		X		
		Indigenous people	Contractor	Others (Please specify)
			X	
Supply base sampled	:	Ribubonus Estate		
Changes since the last audit	:	i) Biogas plant is under construction and expected to be completed by December 2016. ii) New Mill Manager, Mr. Mustapha Habe (previously from Terusan POM).		

Annual Surveillance Audit 2				
On-site audit date	:	12 -14 July 2017	No. of auditor days	: 9
Audit team	:	Ruzita Abd Gani, Mohd Razman Salim, Selvasingam		
No. of major NCR	:	3	Indicator: 6.5.3 , 4.1.2, 4.7.3	Closing date :13/10/17
No. of minor NCR	:	3	Indicator :5.3.3 , 4.7.5 , 4.8.2	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		x		x
		Contract workers	NGOs	Govt. agency
		x		x
		Indigenous people	Contractor	Others (Please specify)
Supply base sampled	:	Ribubonus Estate		
Changes since the last audit	:	No changes		
Report approved by	:	Aminah Ang	Approval date : 24/10/2017	

## RSPO P&C AUDIT REPORT

Annual Surveillance Audit 3					
On-site audit date	:		No. of auditor days :		
Audit team	:				
No. of major NCR	:	Indicator:	Closing date :		
No. of minor NCR	:	Indicator :			
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
Supply base sampled	:				
Changes since the last audit	:				
Report approved by	:		Approval date :		

Annual Surveillance Audit 4					
On-site audit date	:		No. of auditor days :		
Audit team	:				
No. of major NCR	:	Indicator:	Closing date :		
No. of minor NCR	:	Indicator :			
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractors	Others (Please specify)	
Supply base sampled	:				
Changes since the last audit	:				
Report approved by	:		Approval date :		

**RSPO P&C AUDIT REPORT**

**SUMMARY OF INFORMATION**

	<b>STAGE 2 / RA</b>	<b>ASA 1</b>	<b>ASA 2</b>	<b>ASA 3</b>	<b>ASA 4</b>
<b>Projection Period</b>		June 16 – May 17	June 17 – May 18		
<b>Certified FFB Processed (MT)</b>		74,516.00	79,132.92		
<b>Production of Certified CPO (MT)</b>		16,577.72	18,073.41		
<b>Production of Certified PK (MT)</b>		3,012.92	3,497.91		
<b>Certified Areas (Ha)</b>		3,262.00	3262.00		
<b>Planted Areas (Ha)</b>		2,729.62	2729.62		
<b>Production Areas (Ha)</b>		2,729.62	2729.62		
<b>HCV Areas / Conservation Areas (Ha)</b>		258.42	258.42		
<b>REMARKS</b>					

**TABLE 2**

	<b>PO</b>	<b>PK</b>
<b>Last years certified volume (MT)</b>	16,577.72	3,012.92
<b>Last years actual certified sold (MT)</b>	11,418.45	2,966.69
<b>Last years actual sold under other schemes (MT)</b>	0.00	0.00
<b>Last years sold conventional (MT)</b>	22,217.07	3,224,19
<b>New year certified volume (MT)</b>	18,073.41	3,497.91

<b>Table of contents</b>	<b>Page</b>
1.0 AUDIT PROCESS	6
1.1 Certification body	6
1.2 Qualification of audit team	6
1.3 Audit methodology	6
1.4 Audit plan	6
1.5 Date of next audit	
2.0 SCOPE OF CERTIFICATION AUDIT	
2.1 Description of the certification unit	7
2.2 Description of the Supply Base (including planting profile)	7
2.3 Organization Information / Contact Person(s)	8
3.0 AUDIT FINDINGS	
3.1 Changes to certified products in accordance to the production of the previous year	9
3.2 Progress and changes in time bound plan	9
3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	9
3.4 Status of previous non-conformities * (refer to Attachment 6)	9
3.5 Complaint received from stakeholder (if any)	9
4.0 DETAILS OF NON-CONFORMITY REPORT	
4.1 For P&C (Details checklist refer to Attachment 3)	10
4.2 For SC (Details checklist refer to Attachment 5)	10
5.0 AUDIT CONCLUSION	10
6.0 RECOMMENDATION	10
List of Attachment	
Attachment 1 : Map of Ribubonus CU	11
Attachment 2 : RSPO Surveillance Audit Plan	12
Attachment 3 : RSPO P&C Audit Checklist And Findings	14
Attachment 4 : Details of Non-conformities and Corrective Actions Taken	57
Attachment 5 : RSPO Supply Chain at the palm oil mill – Mass balance Model – Module E	59
Attachment 6 : Status of Non-conformities Previously Identified	62

## RSPO P&C AUDIT REPORT

### 1.0 AUDIT PROCESS

#### 1.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and accredited by ASI on 27 September 2014.

#### 1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Ruzita Abd Gani	Lead Auditor Mill practise, environment & OHS	<ul style="list-style-type: none"> <li>• Possessed Bachelor of Chemical Engineering from the University Technology Malaysia. She had worked in the palm oil mill for more than 6 years and 14 years of working experience as environmental and OHS lead auditor.</li> </ul>
Mohd Razman Salim	Auditor Social and HCV	<ul style="list-style-type: none"> <li>• Possessed B.Sc.Forestry (Hons) from University Putra Malaysia with more than 6 years of working experience in the Forest Management, forest, HCVF and ecology.</li> </ul>
Selvasingam T. Kandiah	Auditor / Good Agricultural Practices & OHS	<ul style="list-style-type: none"> <li>• Holds a B. Sc. (Hons) in Agriculture. He had worked as a planter with Kumpulan Guthrie Berhad before retiring including one year in Liberia and 2 years in Estate Department in Guthrie headquarters.</li> </ul>

#### 1.3 Audit methodology

The audit covered the Ribubonus palm oil mill and Ribubonus Estate. The audit included an on-site audit to the estate and mill to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

#### 1.4 Stakeholder Consultation

The audit team has conducted interviews with relevant stakeholder during the on-site audit. Among the stakeholders consulted were the local communities from Kg. Baba and Kg. Ansuran, foreign workers, canteen operator, sundary shops operator, mill suppliers, Department of Environment, estate mandore, gender representative, person in charge of Humana School and child care facilities, FFB transporters, independent smallholders, outgrower, surrounding FFB collection center.

#### 1.5 Audit plan : Refer to Attachment 2

Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 8 months from this audit.

**2.0 SCOPE OF CERTIFICATION AUDIT**

**2.1 Description of the certification unit**

The Ribubonus certification unit (CU) is a subsidiary of Sabahmas Plantations Sdn Bhd. (SPSB) which is a wholly owned company of PPB Oil Palms Berhad (PPB Oil Palms). The CU consists of Ribubonus Palm Oil Mill and Ribubonus Estate.

The Ribubonus Palm Oil Mill (Ribubonus POM) commenced its operations in February 2008 with a processing capacity of 30 metric tonnes of fresh fruit bunches (FFB) per hour. During the audit period, the mill was operating only one shift. The Ribubonus Estate was fully developed, hence, the principle 7 of the RSPO Principles & Criteria is not applicable. The total workforce at the Ribubonus CU was 564 and about 70% of them were field workers from Indonesia.

**2.2 Description of the Supply Base (including the planting profile)**

The FFB is sourced from company owned estate that is certified and third party. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period (June 2016 to May 2017)

Estates	FFB Production	
	Tonnes	Percentage (%)
Ribubonus Estate	76,226.65	49.41
Outsider :		
Reward Plantation Sdn Bhd	12,015.35	7.79
Twin Acre Sdn Bhd*	15,622.59	10.13
Smallholders	50,417.01	32.68
<b>Total</b>	<b>154,281.60</b>	<b>100.00</b>

Table 2: Projected FFB production by supply base for the next reporting period (June 2017 to May 2018)

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Ribubonus Estate	79,132.92	48.86
Outsider	82,812.50	51.14
<b>Total</b>	<b>161,945.42</b>	<b>100.00</b>

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period (June 16 – May 17)

	Total (MT)
FFB Received	154,281.60
FFB Processed	154,323.02*
CPO Production	33,605.03
PK Production	6,255.03
CPO delivered as Mass Balance	11,418.45
CPO delivered as non-RSPO certified	22,217.07*
PK delivered as Mass Balance	2,966.69
PK delivered as non-RSPO certified	3,224.19*

\*from previous month balance

## RSPO P&C AUDIT REPORT

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period  
(June 17 to May 18)

	Total (MT)
FFB Received	161,945.42
FFB Processed	161,945.42
CPO Production	36,437.72
PK Production	7,166.24
CPO delivered as Mass Balance	18,073.41
CPO delivered as non-RSPO certified	18,364.31
PK delivered as Mass Balance	3,497.91
PK delivered as non-RSPO certified	3,668.34

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Ribubonus Estate	2,729.62	3,262.00
<b>Total</b>	<b>2,729.62</b>	<b>3,262.00</b>

Table 6 Planting profile for Ribubonus CU

Estate	Year of planting	Planting Cycle	Mature (ha)	Immature (ha)	Planted area	% of planted area mature	% of planted area immature
Ribubonus estate	2000	1st	219.08	-	219.08	8.03	-
	2001	1st	1533.39	-	1533.39	56.18	-
	2002	1st	944.78	-	944.78	34.61	-
	2007	1st	17.85	-	17.85	0.65	-
	2009	1st	14.52	-	14.52	0.53	-
<b>Total</b>		<b>1st</b>	<b>2729.62</b>	<b>-</b>	<b>2729.62</b>	<b>100.00</b>	<b>-</b>

### 2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Edrin Moss
Position	:	Senior Manager Sustainability.
Address	:	PBB Oil Palms Berhad Sabah Operation, Lot 1A, KM 15, Jalan Labuk, Locked Bag 34, 90009 Sandakan, Sabah
Phone no.	:	+6089 671546 / +6089 670208
Fax no.	:	+6089 670260
Email	:	edrin.moss@my.wilmar-intl.com

The Ribubonus mill hold the certificate for ISCC and ISO 22000.



## RSPO P&C AUDIT REPORT

### 3.0 AUDIT FINDINGS

#### 3.1 Changes to certified products in accordance to the production of the previous year

There was no changes to the certified products since last assessment.

#### 3.2 Progress and changes in time bound plan

i. Have all the estates under the parent company been certified?  Yes  No

If no, comments on the organization's compliance with the RSPO partial certification rules :

---



---

ii. Are there any changes to the organization's time bound plan?  Yes  No

If yes, comment in terms of acceptance or non acceptance on the changes in the time-bound plan?

---

iii. Are there associated smallholders (including scheme smallholders) in the CU  Yes  No

If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?  Yes  No

If no, please state reasons

---



---

iv. Any new acquisition which has replaced primary forests or HCV areas  Yes  No

#### 3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)

No changes since last audit.

3.4 Status of previous non-conformities \*  Closed  Not closed\*

\* If not closed, minor non conformity will be upgraded to major non conformity

Two minor NC raise from previous audit has been upgraded to major i.e. Refer to NC no. MRS 01 and STK 01

#### 3.5. Complaint received from stakeholder (if any)

There was no complaint received from external stakeholders. Only complaints from workers related to their quarter's maintenance. There were various stakeholders interviewed during this assessment comprising of local community, sundry shop, workers and contractors / suppliers. Generally, all of the stakeholders had given positive feedback towards Ribubonus CU.

## RSPO P&C AUDIT REPORT

### 4.0 DETAILS OF NON-CONFORMITY REPORT

4.1 For P&C (Details checklist refer to Attachment 3) :

Total no. of minor NCR(s)  
(details refer to Attachment 4 )      List : 3      STK 03, STK 04, RA 01

Total no. of major NCR(s)  
(details refer to Attachment 4 )      List : 3      STK 01 , STK 02, MRS 01

4.2 For SC (Details checklist refer to Attachment 5) :

Total no. of minor NCR(s) (details  
refer to Attachment 5)      List : 0

Total no. of major NCR(s)  
(details refer to Attachment 5 )      List : 0

### 5.0 AUDIT CONCLUSION

The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

### 6.0 RECOMMENDATION

No NCR recorded. Recommended to continue certification.

Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.

*Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .*

Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.

Recommended to continue certification.

Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

*Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.*

**10.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.**

Audit Team Leader :                      RUZITA ABD GANI

\_\_\_\_\_  
(Name)

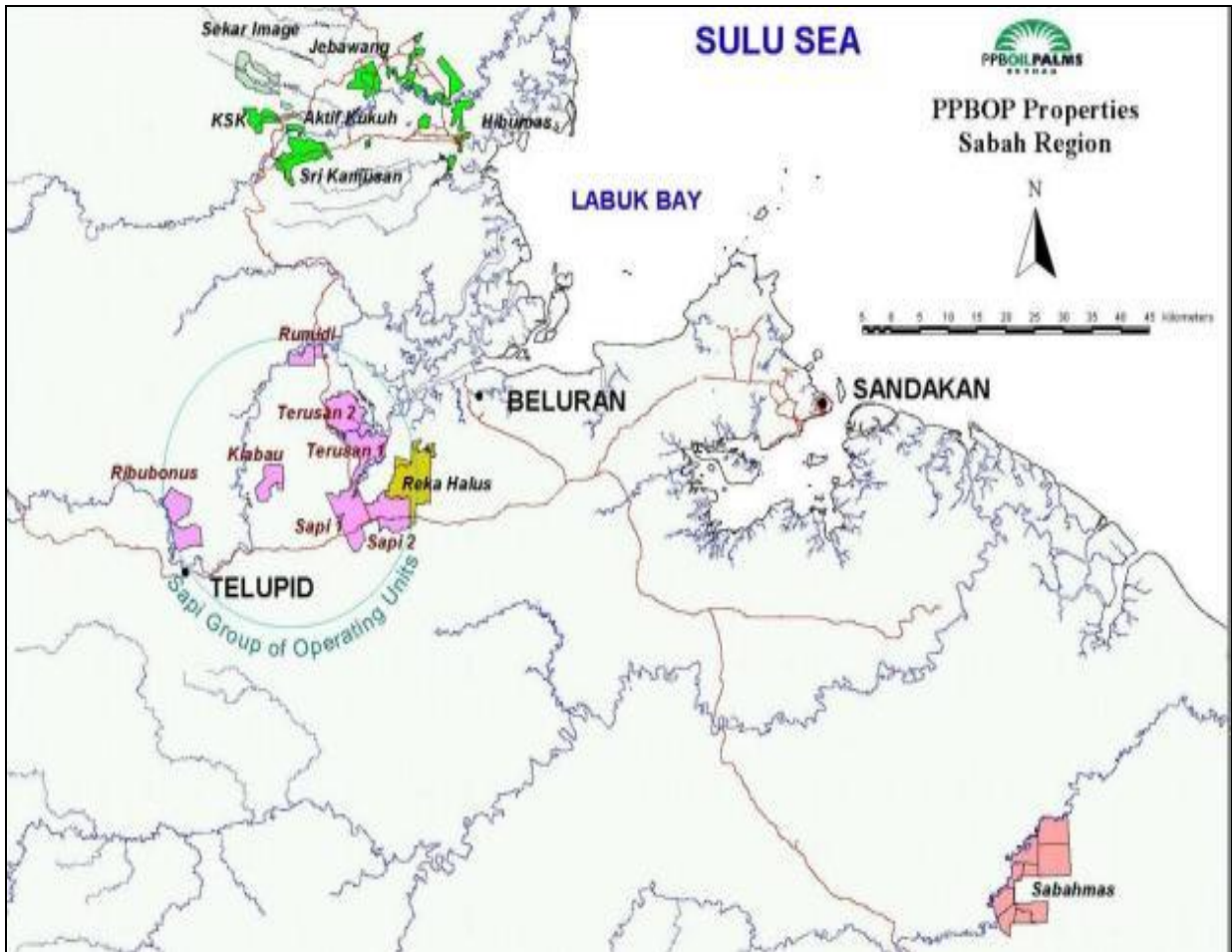


\_\_\_\_\_  
(Signature)

13/10/2017

\_\_\_\_\_  
(Date)

Map of Ribubonus CU



## SURVEILLANCE AUDIT PLAN

Day 1: 12 July 2017 (Wednesday)			
Time	Activities / areas to be visited		
9.00 – 10.00 am	<p><b>Opening meeting at Ribubonus Estate</b> Lead Auditor to introduce audit team member, brief on audit objectives, scope, methodology, criteria and programmes</p> <p><b>Organization Representative to brief on the following :</b></p> <ol style="list-style-type: none"> <li>1) RSPO implementation at Ribubonus CU (i.e. mill &amp; supply base) including changes</li> <li>2) Time bound plan for PPB Oil Palms Berhad</li> <li>3) Significant changes on organization activities, machinery, supply bases capacity etc.</li> </ol>		
	<b>Ruzita</b>	<b>Razman</b>	<b>Selvasinggam</b>
10:00 – 12:00 pm	<p style="text-align: center;"><b>Ribubonus Estate</b></p> <p>Coverage of assessment: P1, P2, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Commitment to transparency</li> <li>• Compliance with applicable laws and regulations</li> <li>• Environmental impact assessment, management plan &amp; implementation, GHG emission</li> <li>• Waste management</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p style="text-align: center;"><b>Ribubonus Estate</b></p> <p>Coverage of assessment: P1, P2, P5, P6, P7, P8</p> <ul style="list-style-type: none"> <li>• Compliance with applicable Laws and regulations</li> <li>• Land titles user rights</li> <li>• Inspection of protected sited with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighbouring land use</li> <li>• Riparian zone</li> <li>• Training and skill development programmes</li> </ul>	<p style="text-align: center;"><b>Ribubonus Estate</b></p> <p>Coverage of assessment: P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> <li>• Compliance with applicable laws and regulations</li> <li>• Agriculture practices such as IPM, new planting,</li> <li>• Commitment to long term economic &amp; financial viability</li> <li>• Occupational safety &amp; health practice</li> <li>• Chemical management</li> </ul>
12.00 – 1.00 pm	Lunch break		
1.00 – 5.00 pm	<p style="text-align: center;"><b>Ribubonus Palm Oil Mill</b></p> <ul style="list-style-type: none"> <li>• Compliance with applicable laws and regulations</li> <li>• Occupational safety &amp; health practice</li> <li>• Environmental impact assessment, management plan &amp; implementation, GHG emission</li> <li>• Waste &amp; chemical management</li> </ul>	<p style="text-align: center;"><b>Ribubonus Estate</b></p> <ul style="list-style-type: none"> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Interview with workers, vendors, gender committee and contractors</li> <li>• Consultation with relevant government agencies, local community</li> </ul>	<p style="text-align: center;"><b>Ribubonus Estate</b></p> <ul style="list-style-type: none"> <li>• Interview workers and contractors</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>

Day 2: 13 July 2017 (Thursday)			
	<b>Ruzita</b>	<b>Razman</b>	<b>Selvasinggam</b>
	<b>Ribubonus POM</b>	<b>Ribubonus Estate</b>	<b>Ribubonus Estate</b>
8.30 – 12.00 pm	<p>Coverage of assessment:</p> <ul style="list-style-type: none"> <li>• Milling operation such as ETP, boiler, EFB</li> <li>• Interview with workers, vendors and contractors</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p>Continue assessment for unfinished element on day 1</p> <ul style="list-style-type: none"> <li>• Linesite &amp; facilities at workplace</li> <li>• Continuous improvement</li> </ul>	<p>Continue assessment</p>
12.00 – 1.00 pm	Break		
1.00 – 4.30 pm	Continue assessment		

## RSPO P&C AUDIT REPORT

Day 3: 14 July 2017 (Friday)			
	<b>Ruzita</b>	<b>Razman</b>	<b>Selvasinggam</b>
8.30 am – 12.00 pm	<p style="text-align: center;"><b><u>Ribubonus POM</u></b></p> <p>Supply Chain Implementation including the model used</p> <ul style="list-style-type: none"> <li>• General Chain of Custody System Requirements for the supply chain</li> <li>• Documented procedures</li> <li>• Purchasing and goods in</li> <li>• Outsourcing activity</li> <li>• Sales and goods out</li> <li>• Processing</li> <li>• Records keeping</li> <li>• Registration</li> <li>• Training</li> <li>• Claims</li> </ul>	<p style="text-align: center;"><b><u>Ribubonus POM</u></b></p> <p>Continue assessment</p> <ul style="list-style-type: none"> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Interview with workers, vendors and contractors</li> <li>• Consultation with relevant government agencies, local community</li> <li>• Linesite &amp; facilities at workplace</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p style="text-align: center;"><b><u>Ribubonus Estate</u></b></p> <p>Continue assessment</p> <p>Coverage of assessment: P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> <li>• Compliance with applicable laws and regulations</li> <li>• Agriculture practices such as IPM, new planting,</li> <li>• Commitment to long term economic &amp; financial viability</li> <li>• Occupational safety &amp; health practice</li> <li>• Chemical management</li> <li>• Interview workers and contractors</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>
12.00 – 2.00 pm	Break & Friday Prayer		
2.00 – 3.30 pm	Audit team discussion, preparation on audit findings and issuance of NCR (if any)		
3.30 – 4.30 pm	Closing meeting		

**RSPO P&C AUDIT REPORT**

**ATTACHMENT 3**

**RSPO P&C AUDIT CHECKLIST AND FINDINGS**

**Principle 1: COMMITMENT TO TRANSPARENCY**

Clause	Indicators	Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1 There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	It was noted that the CU maintained the management documents relating to environmental, social and legal issues that were relevant to demonstrate compliance with RSPO Criteria. Records on requests for information or for these documents were maintained. Written SOP for stakeholders' consultation and a Public Information Request (PIR) Form were established and made available to any interested parties.  Ribubonus CU had provided adequate information upon request for information on social and/or legal issues to relevant stakeholders for effective participation in decision making by conducting annual stakeholder meeting. The last stakeholders meeting was conducted on 7 July 2017 and attended by, local communities (JKKK Kg. Baba, Kg. Ansuran and Kg. Gading), outgrowers (Bentara Hijau SB, Twin Acres & Bentara Hijau Sdn Bhd) and contractor of FFB transporter (Syarikat Merlina Sdn Bhd,)
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	YES	There was no request for information related to social issues from stakeholders as verified in the Stakeholders Logbook at the Ribubonus CU. The Ribubonus POM has received several request from government agencies as follow: <ul style="list-style-type: none"> <li>request from DOSH - letter dated 5 June 2017 to submit report related to two accidents happened on 3 April 2017 and 28 April 2017.</li> <li>request from Jabatan Tenaga Kerja - letter dated 9 Jan 2017 and 26 April 2017 related to employee's data</li> </ul> The mill has provided the necessary reply to all the request and evidences of reply were maintained
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative	1.2.1 Land titles/user rights (Criterion 2.2);	YES	There was no restriction to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. The CU complies with the terms of the land title which is for agricultural purpose.
	Occupational health and safety plans (Criterion 4.7);	YES	An OHS plan 2017 was available at the CU.
	Plans and impact assessments relating to environmental and social	YES	Plan and impact assessments relating to social impacts were made available titled 'Primary Report of the Social Impact Assessment (Design Phase) on the Development of Ribubonus Oil Palm Plantations and Palm Oil Mill' dated 2009 and also Social Action Plan FY2017. While impact assessment relating to

**RSPO P&C AUDIT REPORT**

environmental or social outcomes.		impacts (Criteria 5.1, 6.1, 7.1 and 7.8)		environmental, the CU is monitoring through its Environmental Compliance Report (ECR)- <i>Laporan Pematuhan Syarat-syarat Alam Sekitar</i> ” which was carried out quarterly.
		HCV documentation summary (Criteria 5.2 and 7.3);	YES	The HCV assessment report titled 'High Conservation Value Identification & Management' dated February 2009 and the HCV Monitoring and Management Action Plan 2017, were made available at the Ribubonus Estate and were reviewed during the audit.
		Pollution prevention and reduction plans (Criterion 5.6);	YES	Sighted at Ribubonus Estate, Waste and Pollution identification, Prevention, Mitigation and enhancement Plan – updated on 14 May 2016. Also sighted Waste Management Plan updated in January 2016. For Ribubonus POM sighted the Significant Environmental Aspects and Impacts Mitigation Plan (Methods) with the control measures in the form of Procedures, Equipment / Material, Training / Communication for each operating stations. Pollution Prevention Plan 2016 dated 18 January 2016 was developed to prevent the pollution and implemented.
		Details of complaints and grievances (Criterion 6.3);	YES	Details of complaint and grievances were recorded in the Complaint Form (Borang Aduan), Minutes of Meeting Workers Social and Welfare and Stakeholders Meeting minutes.
		Negotiation procedures (Criterion 6.4);	YES	Negotiation procedure entitled “Process for Identification of Legal and Customary Rights and Identifying People Entitled for Compensation” was established since November 2008 made available at the mill and estate. The procedure describes how to check for legal status of the lands in question and defined the criteria in deciding who should be compensated and the amount of compensation.
		Continual improvement plans (Criterion 8.1);	YES	Continual improvement plan for social was made available for public at the visited mill and estate. Cross refer to C8.1.1
		Public summary of certification assessment report;	YES	The public certification summary of Ribubonus CU is available in <a href="http://www.sirim-gas.com.my/attachments/article/546/Public%20Summary%20RA%20Sri%20Kamusan%202016.pdf">http://www.sirim-gas.com.my/attachments/article/546/Public%20Summary%20RA%20Sri%20Kamusan%202016.pdf</a>
		Human Rights Policy (Criterion 6.13).	YES	Wilmar Human Right Policy dated June 2014 is available at the estate. The policy was signed by the Group Plantation Head.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	YES	Ribubonus CU has continued to adopt policy committing to a code of ethical conduct and integrity in all operations and transactions. In addition, new policy entitle Anti-Fraud Policy and Procedures has been established in 15 May 2017. These policies has been communicated on 29 May 2017 and 8 June 2017 to all levels of the workforce and operations of Ribubonus CU.

**RSPO P&C AUDIT REPORT**

**Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

Clause	Indicators	Comply Yes/No	Findings																				
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 Evidence of compliance with relevant legal requirements shall be available. Major Compliance	YES	<p>Ribubonus CU continued to comply with the applicable local, national and ratified international laws and regulations. As per the requirement in the land title, all land was utilized for planting oil palm. Relevant licenses and permits such as MPOB license, Trading License, Energy Commission and Ministry of Domestic Trade for diesel and fertilizer storage were valid. Amongst the licenses or permit verified were :</p> <table border="1"> <thead> <tr> <th>Licence &amp; Permits</th> <th>Reference no.</th> </tr> </thead> <tbody> <tr> <td>MPOB</td> <td>604312011000 – for Oil Palm Nursery</td> </tr> <tr> <td>MPOB</td> <td>504126302000 – for oil palm estate</td> </tr> <tr> <td>Trading licence</td> <td>184967</td> </tr> <tr> <td>Diesel &amp; Petrol – Estate</td> <td>S 005192 – Diesel 20,000 litres, Petrol 2,000 Litres</td> </tr> <tr> <td>Workers salary deduction permit</td> <td>11 (0967) SDK</td> </tr> <tr> <td>License to employ foreign workers</td> <td>JTK.H.SDK.600- 4/1/1/01261/000154</td> </tr> <tr> <td>License to employ foreign workers</td> <td>JTK.H.SDK.600- 4/1/1/01304/007855 (Nursery)</td> </tr> <tr> <td>MPOB</td> <td>517295004000 – for palm oil mill</td> </tr> <tr> <td>Diesel – mill</td> <td>S 005201</td> </tr> </tbody> </table> <p>At the time of audit it was noted that DOE License (<i>Jadual Pematuhan</i>) JPKKS/12/001854 valid from 1/7/2016 to 30/6/2017. Consultation with DOE officer confirmed that DOE has agreed to continue the DOE license and handing over document will be conducted tentatively in third week of July 2017.</p> <p>Ribubonus CU also continued to maintain all the Environmental Impact Assessment (EIA) report (20 Oct 2009) which has approved by EPD. Environmental Monitoring activity as required in the EPD's approval was conducted &amp; submitted to EPD on quarterly i.e. Laporan Pematuhan Syarat-Syarat Alam Sekitar for July – Oct 2016, Nov 2016 – Feb 2017 and March - Jun 2017. Monitoring result meet the requirement.</p> <p>Ribubonus CU has maintained the competence person to operate machinery. Among the competence person are steam engineer, Boilerman, electrical chargemen, palm oil mill effluent and handling of scheduled waste.</p> <p>Mill machinery inspection was carried out by DOSH on 9 Feb 2017 and all found satisfactory. Machinery certificate of fitness were maintained.</p> <p>Boiler air emission i.e. smoke emission &amp; dust particulate were within the Environmental Quality (Clean Air) Regulation and record of monitoring were submitted to DOE.</p> <p>Samples of the foreign worker's Work Permits and passports were reviewed. In general, all the necessary record to support evidence of compliance were verified &amp; maintained in the estate &amp; mill office.</p>	Licence & Permits	Reference no.	MPOB	604312011000 – for Oil Palm Nursery	MPOB	504126302000 – for oil palm estate	Trading licence	184967	Diesel & Petrol – Estate	S 005192 – Diesel 20,000 litres, Petrol 2,000 Litres	Workers salary deduction permit	11 (0967) SDK	License to employ foreign workers	JTK.H.SDK.600- 4/1/1/01261/000154	License to employ foreign workers	JTK.H.SDK.600- 4/1/1/01304/007855 (Nursery)	MPOB	517295004000 – for palm oil mill	Diesel – mill	S 005201
Licence & Permits	Reference no.																						
MPOB	604312011000 – for Oil Palm Nursery																						
MPOB	504126302000 – for oil palm estate																						
Trading licence	184967																						
Diesel & Petrol – Estate	S 005192 – Diesel 20,000 litres, Petrol 2,000 Litres																						
Workers salary deduction permit	11 (0967) SDK																						
License to employ foreign workers	JTK.H.SDK.600- 4/1/1/01261/000154																						
License to employ foreign workers	JTK.H.SDK.600- 4/1/1/01304/007855 (Nursery)																						
MPOB	517295004000 – for palm oil mill																						
Diesel – mill	S 005201																						



**RSPO P&C AUDIT REPORT**

	2.1.2	A documented system, which includes written information on legal requirements shall be maintained Minor Compliance	YES	Ribubonus POM and Ribubonus Estate have their own legal register which contained information about all the applicable legal requirements. A comprehensive Legal Register was established since 22/12/2008 and latest updated on 12 February 2017. The CU has updated their legal register to include the Electricity Supply (Amendment) Act 2015, Minimum Wages Order 2016, Passport Act 1966 and Immigration Act 1959/63 (Revised – 1975). Therefore, previous Minor NCR MRS 01 2016 was satisfactorily closed.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	Ribubonus CU continued to comply with SOP/Legal/RSPO 2.1.4/3 02/(00)/1206 entitle Legal and Other Requirements which was established since Dec 2006 and updated on 18 Dec 2015. The SOP has defined – Sustainability Unit or Legal Officer of PPB Oil Palm Berhads , KL is responsible to identify & updating the legal . Mill Manager / estate manager to follow up if noncompliance, Chief Clerk will ensure all permit/ licenses renew. Among the mechanism for ensuring compliance i.e. self-regulation-submit to Wilmar statutory quarterly compliance to KL office, Internal audit by the Sustainability Unit.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	Changes to law and regulation were monitored by the Group Sustainability Department. Various sources were referred to in obtaining information about the updates of legal requirements such as industrial association (e.g. MPOA, EMPA, SECA, etc.), seminar/conference, law books, government agencies websites, etc
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance	YES	Land title document is available at Ribubonus Estate. The document CL085330089, granted the 3,262 Ha land to Ribubonus Sdn. Bhd. with 99 years lease (i.e. from 1st January 1998 to 31st December 2096) from the Sabah State Government and the condition of the lease is for 'Agriculture Purpose'. The estate was found to be in compliance with that lease condition. The Country Lease Title No. 085330089 for Ribubonus Estate made on 18 November 1997 was presented to the audit team. A certificate for land development (Sijil Pembangunan Tanah) dated 1 February 2007 was also reviewed.  There was no land dispute. Ribubonus Estate continued to be the legal owner and have relevant proof of ownership of the land.
	2.2.2	There is evidence that physical markers are located and visibly maintained	YES	Physical markers were located and visibly maintained along the legal boundaries particularly adjacent to state land, neighbouring private oil palm estate and forest reserves. Visits to the boundaries with Bukit Kuamas Forest Reserve confirmed that the boundary pegs were visible.

**RSPO P&C AUDIT REPORT**

	along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance		A boundary stone map of the whole estate Ref: FRB01/BST/20170703 by Wilmar Survey Department dated 03/07/17 was available. It had boundary marking number with latitude and longitude references.
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). Minor Compliance	YES	There was no dispute recorded at the Ribubonus POM and Ribubonus Estate. It was confirmed during consultation with the local communities from Kg. Baba and Kg. Ansuran
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. Major Compliance	YES	During the audit, it was noted that there was no land conflict at the Ribubonus POM and Ribubonus Estate.
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties	YES	As described under Indicator 2.2.4, there was no land dispute at Ribubonus POM and Ribubonus Estate. The use of the land for oil palm by the CU had not diminished the legal rights, or customary rights, of the communities and other users.

**RSPO P&C AUDIT REPORT**

		(including neighbouring communities and relevant authorities where applicable). Minor Compliance		
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	YES	There was no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). Major Compliance	YES	There was no land conflict at the Ribubonus POM and Ribubonus Estate.
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available	YES	Since there was no case involving land dispute in Ribubonus POM and Ribubonus Estate, this indicator is therefore not applicable.

RSPO P&C AUDIT REPORT

	<p>and shall include:</p> <ul style="list-style-type: none"><li>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</li><li>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</li><li>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease</li></ul>	
--	---	--

**RSPO P&C AUDIT REPORT**

		on the land. Minor Compliance		
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	YES	Since there was no case involving land dispute in Ribubonus POM and Ribubonus Estate, this indicator is therefore not applicable.
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	YES	Since there was no case involving land dispute in Ribubonus POM and Ribubonus Estate, this indicator is therefore not applicable.

**Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY**

Clause	Indicators	Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	Ribubonus Estate continued to be committed to long-term economic and financial viability. The estate had management plans in their current year's budget and projections. The annual budget and projections were prepared on annual basis i.e. before the end of current year.  The cost of production and expenditure was reviewed by the management on an on-going basis. The parameters monitored included Capital (CAPEX) and Operating costs. The operating expenditure included expenditure for replanting, mature and immature oil palm upkeep, administration cost, housing and machinery upkeep, allocation for sustainability implementation (environmental, social, occupational safety and health), infra-structure development (roads, etc.), and training.  The budget for 2017 and projections until year 2026 were reviewed by the audit team.

**RSPO P&C AUDIT REPORT**

	3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. Minor Compliance	YES	All palms in Ribubonus Estate were first Generation Palms planted between the years 2000 and 2009. As such the earliest replanting had been scheduled to be in 2022 for 219.08 Ha.
--	-------	--	-----	--

**Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS**

Clause	Indicators	Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	YES	<p>Ribubonus Estate continued to use the following documented SOPs:</p> <ul style="list-style-type: none"> <li>i. Wilmar International Limited, Agriculture Manual &amp; SOP for Oil Palm 3/2011.</li> <li>ii. Safe Standard Operating Procedure for Oil Palm Plantations (SSOP)</li> <li>iii. Safety and Health Manual; and</li> <li>iv. Financial Manual - Wilmar International Plantation Malaysian Operations Standard Operating Procedures Checklist.</li> </ul> <p>The agriculture manual provided guidance on Pre-Development Survey, assessment and planting, oil palm nursery, oil palm replanting practices, land clearing, establishment and maintenance of legume covers, oil palm planting, upkeep, FFB harvesting and etc.</p> <p>Ribubonus Estate had introduced new SOPs and updated some policies and the existing SOPs. Among the new SOPs include Oil Palm Nursery: Chemical spraying, manuring and water piping and pump. The updated SOP included the rat baiting.</p> <p>Ribubonus mill continued to be certified against ISO 22000: 2005 Food Safety management system (cert. no. 14191205002), MS1514:2009 GMP for food (Cert. GMP 962299), HACCP MS1480:2007 (cert no. H962288), ISCC EU (cert. no. EU-ISCC-Cert-DE100-16042016). The mill continued to maintain and implement the Mill Operation Manual, rev 2 (11 Nov 2011) and Safe &amp; Standard Operating procedure (SSOP).</p>
	4.1.2 A mechanism to check consistent implementation of procedures shall be in	NO	Ribubonus Estate continued to have in place the mechanism to check consistent implementation of procedures. The implementations were monitored through on-site visits (Head of R & D and Agronomist visits), inspections and discussions with relevant personnel and by internal audits and RSPO audits. Some of the records sighted were:

**RSPO P&C AUDIT REPORT**

		place. Minor Compliance		<p>i) Qualitative (ripeness of FFB) and quantitative (losses) check records by EMU unit.                      ii) Fertiliser application field checks assessment by EMU                      iii) Field cost book for Manuring and Spraying                      iv) Harvesting Interval records</p> <p>Site visit showed that Ribubonus Estate had well established <i>Nephrolepis biserrata</i> fern and soft vegetation in the inter rows of most of blocks/fields. Palms were well pruned and cut fronds stacked as per SOP. Slopes were with well-established <i>Mucuna bracteata</i>. Roads were well maintained with proper cambering, road side drains and culverts.</p> <p>Random interview with the estate workers showed that they understood the requirement stated in the SOPs. For example, the harvesting standards and chemicals usage had been properly understood by the interviewed harvesters, workers who applied fertilizer and sprayers.</p> <p>However, it was noted during the audit that the procedure on Palm Trunk Maintenance as defined in clause 4.0, Chapter 6 (2) of the Wilmar International Limited Agriculture Manual &amp; SOP for Oil Palm was not complied with. During the visit to the field, large number of woody epiphytes growths still existed on palm trunks in Block 005. As a minor NCR was raised during the last audit the NCR was <b>raised to Major NCR STK 01 2017</b>.</p>
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	YES	Records of monitoring and the actions taken in Ribubonus Estate were maintained and kept for a minimum of 12 months. Monthly Costing and Annual Reports on monitoring of all activities were available. Among those records sighted at the estates included Work Program Sheets, Bin cards, Monthly Progress & Report Account, rainfall data, pest census, etc. Records on FFB quality control for individual harvesters, the action taken on them and corrective action records were sighted. Harvesting rounds were monitored using harvesting interval records.
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	YES	<p>Ribubonus mill had recorded every lorry load of FFBs entering mill based on dispatch note issued by the supplier. On receiving of FFBs (certified and non-certified), the Mill Security is responsible to check on the seal and condition of the incoming FFB by checking on the dispatch note issued by the supplying estate. The Weighbridge Clerk then referred to the list of RSPO certified supply base to determine the status of the estate for the in-coming FFBs.</p> <p>Ribubonus mill has also established individual identification card for each of FFB suppliers. The card has included information as below:                      No Pendaftaran :                      No MPOB :                      Tarikh luput :                      Nama pembekal :</p>

## RSPO P&C AUDIT REPORT

				<p>Alamat :</p> <p>Mill Manager signature:</p> <p>A total of 113 randomly selected dispatch chits for RSPO-certified FFBs issued by the supplying estate; Ribubonus Estate for in-coming FFBs were verified. It was found that all dispatch chits were stamped with the words 'Product: Certified FFB' to indicate the certified status of the FFBs. They (dispatch chits) had also clearly indicated the name of the supplying estate and the quantity (number of bunches and weight in kg) of the FFBs.</p>
C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	<p>Fertilizer application was of paramount importance for maintenance of soil fertility. Ribubonus Estate continued to apply fertilizers as per EMU recommendations made by Head of R&amp;D Department. The estate continued to manage soil fertility as per the SOPs in the Agriculture Manual Chapter 4, Part 3 of Chapter 6 and Chapter 10. The palms were planted from year 2000 and 2009 and soil fertility had been managed by recycling of biomass like frond stacking and EFB application, water management in peat areas, maintenance of soft weeds, Leguminous cover crops and <i>Nephrolepis biserrata</i> in the interline.</p> <p>Annual fertilizer recommendations were made based on annual foliar sampling. The rate of fertilizers per palm recommended for 2017 for organic soils varied between 9.33 to 10.13 kg per palm per year while for mineral soils it varied between 8.25 and 10.55 kg per palm per year.. Fertilizer application program was monitored using, Bin cards, SAP Stock Movement, Field cost book and Fertilizer Application Audit conducted by ECO Management Unit (EMU).</p>
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	<p>Records of programs and applications of fertilizers were reviewed during the audit. Records showed that the main fertilizers applied in Mature Oil Palm were RP, MOP, Urea, Kieserite, NK1, NK3, NPK Super K, Borate, SOA, GML, and Bunch Ash. From the review of the records showed that actual fertilizers applied in 2016 was 3,496.65 tonnes which was consistent with the programs.</p> <p>For 2017, the recommended application of fertilizer was 3,252.39 tonnes and as at May 2017 records showed that 1,305.60 tons had been applied. At the time of the audit, fertilisation application was on going and it was witnessed that the application of NPK fertilizer in Block 057 was at a rate of 2.75kg/palm. There were no immature palms in Ribubonus Estate.</p>
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	<p>From the Head R&amp;D report, it was established that the estate continued to carry out periodic foliar and soil sampling to monitor changes in nutrient status. Annual foliar sampling for the nutrients N, P, K, Mg, Ca &amp; B had been carried out and the result was used as the basis for the fertilizer recommendations to maintain and to improve soil fertility. The last foliar sampling was carried out in March 2017 by the EMU. Results of which would be the basis for the formulation of the fertilizer recommendation for 2018.</p> <p>Soil map which were made based on soil analysis conducted in October and November 2000 by AA and T Agrotech Consultancy was made available to the auditors. Analysis for soil organic carbon was carried out</p>



**RSPO P&C AUDIT REPORT**

				every 6 years as per the ISCC requirement. The last analysis was carried out in March/April 2015. The soil organic analysis was done to provide indication of soil health and monitor the change of organic carbon and total nitrogen and as required RSPO P&C 4.2.3.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance	YES	Ribubonus Estate continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and by EFB, POME and bunch ash application. EFB was applied at 80 tons/Ha/2 years and at 40 tons /Ha/year in single layers in plots between palms. Records of application and maps were reviewed by the audit team. Application records/weigh bridge tickets showed that 16,797.38 tons had been applied in 2016. During the audit, the application of EFB was witnessed by auditors in Block 062.  Bunch ash was applied at 4 to 5kg/palm and 78.07 tons was applied over 146Ha in 2016. POME application (land Irrigation) was carried over 33.10 Ha in block 34 & 36. In 2016, 110,321 m <sup>3</sup> of POME was applied and as June 2017, 67,784 m <sup>3</sup> had been applied.
C 4.3 Practices minimize and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	YES	Based on the soil map by AA and T Agrotech Consultancy, it was noted that the soil series at the estate consisted of Paniakan/Ambun/Binuang (36.9%), Katai/Sinsulod (30.4%), Baiayo/Serai (17.5%), Binuang/Pinianakan (7.2%), Katai/Nobusu (1.9%), Krah/Serai (1.3%) and Paliu (4.7%). The Baiayo/Serai (FAO's Taxonomic Units: Gleyic Poszolz and Albic Arenosols) was considered by the company as marginal soils (sandy).
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	YES	Ribubonus Estate continued to use the management strategy for plantings on slopes as defined in the Agriculture Manual & Standard Operating Procedure for Oil Palm, Chapter 3, Part 1 (Land Clearing and Preparation, Undulating to Steep Land). Among the practices which shall be carried out are establishment of riparian reserve at natural waterways, establishment of cover crop, construction of terrace and construction of bunds at 20 m intervals along the terrace.  It was observed that areas undulating and hilly had been terraced. Slopes especially along some road side had well established <i>Mucuna bracteate</i> . Ribubonus Estate had only 0.02% of its area >25 degrees with 90% of it being flat and undulating. Ribubonus Estate continued to monitor soil erosion by having a monitoring point in an open area.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was noted that roads condition were well maintained. The accessibility was made possible by regular maintenance. A road maintenance programme which consisted of road resurfacing, grading & compacting and culvert maintenance was established. For this purpose, the estate had 2 units of Case Diggers, a Motor Grader, a Compacter, excavators for road maintenance. The financial support for the road maintenance programs was sighted in the annual budget.  Records showed that there were 3.1 km of earth roads and 3.3 km of gravelled roads in Ribubonus Estate. It was observed that the main road in the estate was well paved with gravel and stones
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management	YES	Ribubonus had only 1.32% (42.98 Ha) of Krah/Serai series which was considered as peat. The subsidence of the area was minimised mainly through drainage management. The estate had started to monitor the subsidence rate of the area with effect from March 2016 at 3 monthly intervals and as at June 2017 records showed that no subsidence at all. The estate also retained water in the drains by having bunds with the drainage system well managed with a water marker.

**RSPO P&C AUDIT REPORT**

		programme shall be in place. Major Compliance		
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	YES	Due to small size of the peat area, drain ability assessment is not necessary. Nonetheless, the drainage system was found to be well maintained.
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance	YES	Ribubonus Estate had pockets of sandy soils spread out in a number of blocks. A management strategy was in place for these pockets of sandy (Baiayo/Serai) soils. Application of EFB was carried out by applying 80tons/Ha/2 years and at 40tons/Ha/year. This was confirmed during the site visit to Block 062 where 27Ha of the block was of Baiayo/Serai soil series.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	<p>Water Management Plan for the estate was made available to the audit team. The document was prepared and reviewed on yearly basis. The plan included monitoring of water consumption, workers awareness and education programme, ensuring piping system is in good condition, water sufficient landscape and vehicles were washed only once a week.</p> <p>Water consumption records showed that 8,593 litres and 10,017 litres of treated water was used by Eastern and Northern Divisions of Ribubonus Estate respectively. Rainwater harvesting was also implemented at the workers and staff quarters, workshop, chemical and fertilizer stores, etc.</p> <p>Rainfall records based on rain gauge reading were available on site. Records of rainfall data, from 1999, to assist in the water management plans were sighted.</p>
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national	YES	<p>Ribubonus Estate continued to use the procedure "<i>Riparian Zone Management PPB Oil Palm Sabah Operation</i>" for protection of riparian belts along the major waterways. The riparian buffer belts were marked out on maps. Records presented indicated that riparian belts were demarcated in 80 blocks covering an area of 123.53 ha.</p> <p>During site inspection, it was confirmed that the riparian buffer zone boundaries had been identified with signboards erected along 6 tributaries of Sg Labuk. Oil palm trees in buffer zone were ring sprayed with red paint at the trunk along the river bank to differentiate them with the other non-riparian zone oil palm trees.</p>

**RSPO P&C AUDIT REPORT**

		guidelines) shall be demonstrated Major Compliance		Site visit along river bank of tributaries of Sg Labuk in blocks 013, 017, 024, 042, 057, 060 and 075 found no traces of agrochemical spraying along the riparian zone. Natural vegetation had colonized these riparian buffer belts as no weeding or fertilizer application was allowed. This practice was in conformance with the Riparian Zone Management Guidelines (Sabah Operations). Waters from the 6 tributaries entering Sungai Labuk were sampled for analysis. The sampling was carried as per EIA report requirement. In 2017 sampling was carried out in February and June. Certificate of Analysis Ref: ALKK177980 dated 04/07/2017 for water sampled in June was sighted.						
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6). Minor Compliance	YES	Records of effluent treatment monitoring and Quarterly report to DOE for 2 <sup>st</sup> quarter 2016 until 1 <sup>th</sup> quarter 2017 were checked during the audit. License from DOE had indicated that the final discharge is for land irrigation and the BOD shall be less than 20 mg/l. No discharge into 'water course' is allowed. From the review of the above records, it can be confirmed that the BOD results were less than the stipulated limit of 20 mg/l. The average value was about 17 mg/l. Apart from BOD, the mill is also required to monitor the pH, COD, Suspended Solids(SS), Ammonical Nitrogen (AN), Total Nitrogen and Oil & Grease. All parameters of were found to be within specification. The CU is also conducting the monitoring of the Sungai Labuk i.e. both upstream and downstream. Sighted the monitoring record all parameter monitored with the stipulated approval condition.						
	4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	YES	Below are the mill water usage per tonne of FFB from Jan-May 2016: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Month</th> <th>Ave. 2016</th> <th>Average Jan – April 2017</th> </tr> </thead> <tbody> <tr> <td>Consumption of water l/mt FFB</td> <td>1.70</td> <td>1.63</td> </tr> </tbody> </table>	Month	Ave. 2016	Average Jan – April 2017	Consumption of water l/mt FFB	1.70	1.63
Month	Ave. 2016	Average Jan – April 2017								
Consumption of water l/mt FFB	1.70	1.63								
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	YES	Ribubonus Estate had in place documented the IPM plan which covered monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. The plan advocated training, Beneficial Plants planting, Pest & Disease census, Spraying timing & use of Surfactants and Calibration of Spraying Equipment. The plan also advocated single layer EFB mulching in order to prevent the breeding of rhinoceros beetles.  No calendar rat baiting was carried in Ribubonus Estate. Rat baiting census was carried out when damaged was observed and baiting was conducted only when and where damage was above threshold levels. Baiting was continued until the acceptance was below 20%.  Monthly detection and observation of leaf eating pests, mammalian pests and diseases had been continued. These monthly detection and observations were carried by staff. Census records for ganoderma affected palms were sighted.  It was noted that beneficial plants <i>Cassia cobanensis</i> , <i>Antigonan leptopus</i> and <i>Turnera subla</i> for bagworm control had been planted in the fields. At time of visit the beneficial plant nurse had polybags of <i>Antigonan</i>						

## RSPO P&C AUDIT REPORT

				<i>leptopus and Tunera subulata</i> plants.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Training on IPM implementation was carried out. The latest training on rat damage census and baiting was carried out on 20/07/2016. Attendance records showed that the training was attended by 7 workers. Training on rat damage census and baiting for staff was carried out on 26/05/2016 by the Senior Manager R & D. Training on Rats, VOP & Oryctes beetle control for staff and managers for Sabah Region was conducted by BSAF company on 20/06/2017.
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	Justification of the use of pesticides was documented. The use of selective products that are specific to the targeted pest, weed or disease were defined in: <ul style="list-style-type: none"> <li>i. SPO Manual – page 1-6 Justification in SOPs on the use of Agrochemicals</li> <li>ii. Agriculture Manual – Chapter 6 -upkeep and maintenance of oil palm <ul style="list-style-type: none"> <li>Part 1 – Immature oil palm</li> <li>Part 2 – Mature oil palm</li> </ul> </li> <li>Chapter 8 – Plant protection – Pest and Disease management.</li> <li>iii. SSOP chapter 2, 3, 4, 9 &amp; 11 on safe handling of pesticides.</li> </ul>
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	YES	Ribubonus Estate continued to record areas where pesticides were used. Pesticides were used only when justified and as programmed. Records of pesticides used by area, quantity used, hectares applied and Ai/Ha were made available to auditors. Records were found in store issue chits, bin cards, program sheets, SAP system, field cost books and progress reports.  The LD50 was available in the MSDS.
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations	YES	The estate continued to manage pests, other than weeds at below threshold levels as per the IPM plan. The estate in order to minimize pesticide usage did not carry out calendar baiting of rats. Rat baiting was only carried out as and when required and only in areas where census showed damage above threshold level. Further, in order to minimize the use of weedicide, only spraying of circle and paths were carried out. Spraying is only carried as per program. Weeds in the inter rows were mainly slashed with minimum spraying. No chemicals were used for VOP control. The VOPs were manually removed. Slashing woody growths, weeds and manual removal of VOPs was witnessed by auditors in block 037.  EFB was applied in single layers and not dumped in large amounts, as observed in block 062 during the audit, to prevent the breeding of Rhinoceros Beetles. This action is also help to minimise the use of pesticides.

**RSPO P&C AUDIT REPORT**

		identified in industry's Best Practice. Major Compliance		Prophylactic use of pesticides was not observed.
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance	YES	<p>All the pesticides used were those registered under the Pesticides Act 1974 (Act 149). The list of approved pesticides was available for reference. The list, entitled "<i>Senarai Racun Makhluk Perosak Berdaftar</i>" was sourced from Department of Agriculture Official Website [ <a href="http://www.doa.gov.my/web/guest/senarai_racun_perosak_berdaftar">http://www.doa.gov.my/web/guest/senarai_racun_perosak_berdaftar</a> ].</p> <p>A chemical list of 'Rotterdam Convention' was also available. From the list only the pesticide with Thiram had been used in the Oil palm nursery.</p> <p>The chemical registered was updated in July 2016 to include the rat bait Butik S.</p> <p>The use of paraquat in the estate had ceased since 2008 and was replaced by a systemic herbicide. A policy statement 'Herbicide Paraquat' signed by Managing Director on 14/08/2007 had included statement of no use of paraquat.</p>
	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the	YES	<p>Records showed that pesticides were handled by trained persons and used as per the MSDS/CSDS of the pesticide. As mentioned under Indicator 4.6.1, the estate had the SOPs for safe-handing of pesticides. Appropriate safety and application equipment were provided and used as per the CHRA recommendation. The CHRA was reviewed on 31.01.2015.</p> <p>The staff and workers such as the storekeepers, sprayers and those workers apply the fertilizer were trained and they had understood the hazards involved and how the chemicals should be used in a safe manner. The</p>

**RSPO P&C AUDIT REPORT**

	<p>product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). Major Compliance</p>		<p>trade and generic names of the chemicals were made known to the workers through the MSDS/CSDS training. It was also noted that MSDS/CSDS were available at all sites during the audit.</p> <p>All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issuance and replacement records were verified by the auditors. It was also observed that PPE was used by workers working in the fields.</p> <p>From the interviews with the workers and staffs in the fields and stores clerk, it was demonstrated that they had been trained and were aware of safe handling procedures. The latest trainings on spraying which included the safety aspects and usage of PPE when handling pesticides were carried on 3<sup>rd</sup> and 20<sup>th</sup> May 2017. Records of training were available for verification.</p>
4.6.6	<p>Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance</p>	YES	<p>The chemical store in Ribubonus Estate was observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. The stores were equipped with exhaust fans and secured through locks which were kept by the store keeper. Only authorized personnel were allowed to handle the chemicals. The chemicals were stored and segregated accordingly and fertilizers were well stacked. Relevant MSDS/SDS were available in the store.</p> <p>Adequate 'Safety Signage' have been placed in the store</p> <p>Proper premixing area, eye wash bottles and washing area were provided. It was noted that waste water from washing of chemical containers was directly poured into the tank for spraying mixture. Bathing area for sprayers were provided at workers' quarters/ linesites.</p> <p>Triple rinsing of the empty pesticides containers was continually implemented. The rinsed containers were pierced and stored prior disposing</p> <p>Record of the purchase, storage and use had been properly maintained</p>
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance</p>	YES	<p>Application of pesticides was based on and guided by:</p> <ol style="list-style-type: none"> <li>i. CHRA which was reviewed on 30/01/2015 by CHRA assessor from Synergy Consultant Sdn Bhd.</li> <li>ii. MSDS/SDS supplied by the manufacturer</li> <li>iii. Agriculture Manual – Chapter 6- upkeep and maintenance of oil palm Part 1 – Immature oil palm &amp; Part 2 – Mature oil palm and Chapter 8 – Plant Protection – P&amp;D Management</li> <li>iv. SPO Manual – page 1-6 Justification in SOPs on the use of Agrochemicals</li> <li>v. SSOP chapter 2, 3, 4, 9 &amp; 11 on safe handling of pesticides</li> <li>vi. The “<i>Pengenalpastian Hazard, Penaksiran Risiko &amp; Kawalan Risiko</i>” (HIRARC) where workers are</li> </ol>

**RSPO P&C AUDIT REPORT**

				required to wear PPE to minimise the risk to exposure. The HIRARC was updated on 18/05/2017
	4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	YES	Aerial spraying was not practiced at all PPB estates and there was no evidence to show that this has been carried out in the Ribubonus Estate.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). Minor Compliance	YES	Training on pesticide/chemical handling was continuously carried out at Ribubonus Estate. The latest was done on 03/05/2017. The training was attended by 8 sprayers. The training included the safety aspects and usage of PPE when handling with pesticides and herbicides. Record of training was available for verification.  From interviews with the staff and workers such as the storekeepers and workers who applied fertilizers, it was evident that they have been trained and understood the hazards involve and how the chemicals should be used in a safe manner.
	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance	YES	Domestic waste was disposed into landfills. Sign boards marking each landfill was sighted. Visit to landfill site found that the landfill was well maintained. It was noted that the landfill was opened on 1 May 2016 and closed on 31 May 2016  EFB was applied as mulch especially in sandy soil areas to improve soil structure and nutrients. Pruned fronds were stacked in the fields and left to rot helping in managing surface run off and in improving soil fertility. The handling of scheduled wastes were as per SOP SJ&SS/SOP4.1.1 All scheduled wastes were disposed by Legenda Bumimas. All wastes were segregated and chemical container were triple rinsed and stored in the chemical store.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health	YES	Medical surveillance for Ribubonus POM was conducted for the workshop operator. The checking was carried out by an OHD (HQ/10/DOC/00/167) of DAB OH SDN BHD on 25/04/2017.  Audiometric test was conducted for 13 workers on 25/04/2017. Result were communicated to the respective employees.

**RSPO P&C AUDIT REPORT**

		conditions, shall be demonstrated. Major Compliance		
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	YES	Pregnant and breast-feeding women are not allowed to work with Pesticides & Hazardous Chemicals. Ribubonus Estate complied with this requirement as mentioned in the SSOP No.2 "Penyemburan Racun". The Medical Assistant (MA) conducted the check and determine whether female workers are pregnant or breast feed. The check was carried out on monthly basis.
<p>C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p>The occupational health and safety plan shall cover the following:</p>	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	YES	<p>Ribubonus CU continued to adopt the PPB Group's Occupational Health Safety policy. The policy was dated September 2010 and signed by the Group Plantation Head and the Group CSR Head. To meet the commitment of this policy, an OSH plan and related programmes for the mill and estate were established. The policy, OSH plan and programmes were communicated to all levels of the organization to provide clear directive of Occupational, Safety and Health throughout the company.</p> <p>The CU had implemented OSH plan and programmes which included training, workplace inspections and quarterly safety health committee meetings. Interviews with employees showed that they were aware of the OSH policy, objectives and programmes and generally understood their requirements. The 2017 OSH plan was established and continued to address issues related to hazard identification risk assessment and risk control (HIRARC), medical surveillance programme, OSH training among staff and also the 3rd party inspection and monitoring programme as required under USECHH 2000 regulation. Among the monitoring programme carried out were: Safety and Health Committee Meeting , S&amp;H Workplace Inspection , Medical Surveillance, Audiometric Test and Training</p>
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	YES	<p>Ribubonus Estate had identified and reviewed its hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) was reviewed on 18/05/2017 for harvesting &amp; pruning activity. The HIRARC covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance.. Full review for the HIRARC was conducted by the ESH committee and not much changes observed in term of hierarchy of to determine appropriate control measures.</p> <p>CHRA was conducted on 30<sup>th</sup> January 2015 by CHRA Assessor from Synergy Consultant. Next CHRA will be conducted on 29 January 2020.</p>
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices	YES	Training and briefing on the operations were provided for workers (refer to 4.8.2) to educate them on safe working practices to ensure applicable precautions are adhered. Training for employees were conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained



**RSPO P&C AUDIT REPORT**

	<p>(see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance</p>		<p>and they had understood the hazards involved and how the chemicals should be used in a safe manner.</p> <p>PPEs issuance and replacement records were made available to auditors.</p> <p>Based on the HIRARC carried out at Ribubonus Estate, the type of PPE for the various station was identified using the 'PPE Distribution Records'. The following PPE was issued:</p> <ul style="list-style-type: none"> <li>i. Harvester - safety helmet, sickle cover, and shoes.</li> <li>ii. Sprayers - respirator, nitrile glove (chemical resistant) goggles, wellington boots and apron.</li> <li>iii. Manuring - apron, wellington boots and dust mask.</li> </ul> <p>However, appropriate protective equipment for workers applying fertilisers as per Chapter 3, SSOP for Oil Palm Plantation Manual of PPB Oil Palms Berhad was not being used by workers. At time of visit all workers applying NPK fertilizer in Block 057 were not using rubber boots, thus the <b>Major NCR STK 02 2017 was issued.</b></p>
4.7.4	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance</p>	YES	<p><b>Ribubonus POM</b> Safety and Health Committee Organization Chart 2016 was available and continue in 2017. Quarterly Safety &amp; Health Committee meeting was carried out with the Mill Manager as the chairman. The agenda included the following:</p> <ul style="list-style-type: none"> <li>i) Confirming the previous minutes and matters arising.</li> <li>ii) Medical Assistant Report (Monthly Accident statistics)</li> <li>iii) Mill Inspection</li> <li>iv) Safety programme &amp; training</li> </ul> <p>Safety meetings were conducted on quarterly basis. Minutes of meeting held in April 2016 , July 2016 , Dec 2016 and March 2017 were reviewed. It was confirmed that all agenda were discuss accordingly.</p> <p><b>Ribubonus Estate</b> Safety and Health Committee Organization Chart 2017 was available. The committee comprised of Chairman (Assistant), Secretary (ESHS Supervisor), representatives from Management, representatives from workers Representatives and Advisor (Senior Manager). Appointment letters for the 2017 committee members dated 01/04/2017 were available.</p> <p>Quarterly Safety &amp; Health Committee meeting was carried out by the committee. The agenda included the following:</p> <ul style="list-style-type: none"> <li>i) Confirming the previous minutes and matters arising</li> <li>ii) Medical Assistant Report (Monthly Accident statistics)</li> <li>iii) Workplace Inspection</li> <li>iv) Safety programme &amp; training</li> </ul> <p>In 2017 safety committee meetings were conducted on 28<sup>th</sup> March and on 5<sup>th</sup> June. Minutes of meeting was</p>

**RSPO P&C AUDIT REPORT**

				verified. It was confirmed that all agenda were discuss accordingly.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	NO	<p>The CU continued to maintain the Emergency Response Plan (ERP) which was established since 2009. A revision on the ERT was made in 2015. The CU had also established procedures on incident reporting, Bund Breakage, Suicide Attempt &amp; prevention, Bush Fire, Fire Breakout in Mill, Chemical spillage, Flood, Injury and Illness, Poisoning, Workplace and Violence, Boiler Shutdown, CPO Pipe Burst &amp; Fire, Exhaust Fire Explosion and Pipe Leak.</p> <p><b>Ribubonus POM</b> The mill has maintained trained first aider team &amp; inspection on first aid box was carried periodically. The mill had conducted a fire drill and the evacuation time was monitored. The drill was supervised by the Mill Manager.</p> <p><b>Ribubonus Estate</b> First Aid training was conducted on 12/06/2017 by Medical Assistant from Ribubonus Clinic. The training was attended by 21 staffs and workers from various stations. A fire drill was carried out on 8/8/2015. The drill report was available for review. Random interview with the estate workers showed that they were aware of accident and emergency procedures. Copies of procedures and telephone numbers were sighted on notice boards and muster grounds.</p> <p>During the audit, it was found that the First Aid boxes were not available at work operations in the field. At the time of visit, first aid boxes were not available for the harvesting gang carrying out harvesting in block 075 and EFB applying gang applying EFB in block 062. Minor NCR STK 03 2017 was issued.</p>
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	<p>At Ribubonus CU all foreign workers as per Workmen Compensation Act 1952 were covered by insurance. A Master insurance policy no: W0190681 with individual certificate for groups of workers was issued by Chubb Insurance Malaysia Bhd. The Certificates No. KK-W07751134-WWF for 5 workers valid from 17/04/2017 to 16/04/2018 and No. KK-W0746162-WWF for 162 workers valid from 01.01/2017 to 31/12/2017 were sighted.</p> <p>All local workers were covered by SOCSO as required under Employee's Social Security Act 1969. Payment records to SOCSO for 89 workers amounting to RM 2,471.80 for June 2017 was sighted.</p>
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	<p>Accident statistics were recorded and periodically reviewed during 'Health and Safety' committee meeting. For 2016, Ribubonus Estate had recorded a total of 20 mandays for the Lost Time from 4 accidents, while in Ribubonus mill recorded 3 mandays from 2 accident. The CU has submitted the JKPP 8 to DOSH on 06/02/2017</p>
C 4.8 All staff, workers,	4.8.1	A formal training programme shall be in place that covers all	YES	<p>A formal training programme that covers all aspects of the RSPO Principles and Criteria was included in the 2017 Annual Training Programme. The training needs were identified annually.</p>

**RSPO P&C AUDIT REPORT**

<p>smallholders and contract workers are appropriately trained.</p>		<p>aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance</p>		
	<p>4.8.2</p>	<p>Records of training for each employee shall be maintained. Minor Compliance</p>	<p>NO</p>	<p>Training for employees was conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. Records of training for each employee were maintained at the office. Some of the training carried in 2017 were: <u>Ribubonus POM</u></p> <ol style="list-style-type: none"> <li>1. Worker's/Employee's Rights – 29 May 2017</li> <li>2. Human Rights – 29 May 2017</li> <li>3. Code of ethics – 29 May 2017</li> <li>4. Awareness training on RSPO – 29 May 2017</li> <li>5. Sexual harassment and reproductive right – 29 May 2017</li> <li>6. Complaints, grievances procedures and whistle blowing policy – 29 May 2017</li> </ol> <p><u>Ribubonus Estate</u></p> <ol style="list-style-type: none"> <li>1. HCV Awareness Training – 8 June 2017</li> <li>2. Worker's/Employee's Rights – 8 June 2017</li> <li>3. Human Rights – 8 June 2017</li> <li>4. Code of ethics – 8 June 2017</li> <li>5. Awareness training on RSPO – 8 June 2017</li> <li>6. Sexual harassment and reproductive right 8 June 2017</li> <li>7. Complaints, grievances procedures and whistle blowing policy – 8 June 2017</li> <li>8. Chemical handing – 03/05/2017</li> <li>9. SSOP training for Harvesters – 17/05/2017</li> <li>10. Training on PPE – 03 &amp; 20/05/2017</li> <li>11. Spraying – 03/05/2017</li> <li>12. Fire drill – 08/06/2017</li> <li>13. First Aid – 12/06/2017</li> <li>14. Rats, VOP &amp; Oryctes control – 20/06/2017</li> </ol> <p>However, records of training for GAP activities for workers were not available. At time of visit records of training for GAP activities like Harvesting, Pruning, Selective Weeding &amp; Manuring were not available. A Minor NCR STK 04 2017 was issued.</p>

**RSPO P&C AUDIT REPORT**

**Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY**

Clause	Indicators	Comply Yes/No	Findings
<p>C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>	<p>5.1.1 An environmental impact assessment (EIA) shall be documented. Major Compliance</p>	<p>YES</p>	<p>There was no change in the CU operation. Thus, the CU maintained the identified environmental aspect and impact associated with its operation i.e. estate and mill. The exercise was carried out by the estate/mill staff and with the assistance from the Safety and Sustainability Department. Among the activities that were identified included the use of fertilizer and agrochemical, storage of chemical &amp; fertilizer, the use of estate vehicles, workshop operation, boiler operation, effluent treatment plant, laboratory and the composting plant. Among the environmental impact identified applicable were as follows:</p> <p>Water pollution:</p> <ul style="list-style-type: none"> <li>• Accidental spillage of scheduled wastes from operation of machinery. Mitigation: Daily checking by staff before use any machinery</li> <li>• Leachate from EFB stockyard. Mitigation: construction of bund (retention wall)</li> <li>• Land irrigation – accidental overflow due to heavy rain. Mitigation: Frequent checking by staff of the drainage system. If there is any blockage found, machinery is ready to relieve.</li> <li>• Leaching of fertilizer due to excessive agrochemical &amp; chemical spillage. Mitigation: SOP, SSOP and riparian guideline to be adhered for manuring &amp; spraying operation. Conduct pump spray calibration periodically.</li> </ul> <p>Air pollution:</p> <ul style="list-style-type: none"> <li>• Dark smoke from boiler. Mitigation: dust collector, boiler preventive maintenance, monitoring particulate emission and opacity.</li> <li>• Smoke from generator set. Mitigation: preventive maintenance on engine room</li> <li>• Smoke from estate tractors. Mitigation: preventive maintenance on engine</li> </ul> <p>Soil contamination:</p> <ul style="list-style-type: none"> <li>• Scheduled wastes generation – Mitigation: to be handled in accordance with the environmental regulations.</li> </ul> <p>Implementation of the identified mitigation was observed on site and interview with workers was confirmed they were aware of the important to control and monitored the negative impact to environment.</p> <p>Ribubonus Estate maintained the EIA report entitled “Oil Palm Plantation Development at Ribubonus Estate in Beluran, Sabah”. The report was established on 26 June 2009 and approved by the Sabah’s EPD on 26/1/2010 [(ref.: JPAS/PP/02/600-1/11/1/72(60)]. The environmental aspect and impact associated with the following activities were identified:</p> <ol style="list-style-type: none"> <li>1) Soil erosion and water quality</li> <li>2) Biomass disposal</li> <li>3) Ecological Impacts</li> <li>4) Human settlement Impacts</li> </ol>

**RSPO P&C AUDIT REPORT**

				<p>5) Usage of agrochemicals          6) Hazardous materials disposal          7) Abandonment</p> <p>The monitoring of the compliance to environmental terms and conditions were carried out as reported in indicator 2.1.2 above. Generally, the estate continued to comply with the environmental terms and conditions from the Sabah Environmental Protection Department.</p>
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance	YES	<p>Ribubonus CU has continued to maintain record entitled 'Waste and Pollution - Identification, Assessment, Prevention, Mitigation and Improvement Plan'. Both records were available at the estate and mill. A time table for monitoring has been established and was monitored on a periodic basis.</p> <p>Sighted the Waste Management Plan for 2017 of Ribubonus CU which was established by the ESH staff and approved by the Senior Manager. The plan included the person in-charge.</p>
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	YES	<p>Monitoring of water quality has been established and carried out by Ekohandal Sdn Bhd at Ribubonus Estate. Among the monitoring reports verified for October 2016 and June 2017.</p> <p>At the Ribubonus POM, the following up of the EAI, mitigation measure was defined and the pollution prevention plan was developed. Sighted issues such as GHG, milling operation, workshop operation and laboratory operation were included in the plan.</p>
C 5.2 The status of rare,	5.2.1	Information shall be collated in a High	YES	The HCVF assessment of the estate was completed in February 2009. In addition to the report 'HCVF Scoping Assessment of Ribubonus Estate of PPB Oil Palms Berhad' an additional HCV Report was prepared

**RSPO P&C AUDIT REPORT**

<p>threatened or endangered species other than High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		<p>Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance</p>		<p>in May 2017. The assessor had identified conservation area which were steep area also known as Bukit Beruang, Bukit Kucing and Bukit Rotan including riparian buffer for Sg. Labuk as HCV 4. Only HCV 4 area was identified and the total area for HCV at Ribubonus CU is 258.42 ha (i.e. 125.65 ha for the riparian buffer for Sg.Labuk and 132.77ha for the Bukit Beruang, Bukit Kucing and Bukit Rotan steep areas)</p> <p>Ribubonus Estate being bordered to Bukit Kuamas Forest Reserve (Class1-Protection Forest) had established linkages with the residual forest sites within the estate. Appropriate signage which indicate no hunting sign had been erected.</p> <p>Based on the Wildlife Survey Report dated June 2016 from HUTAN, there were numbers of RTE species found in the Ribubonus Estate. Among the RTE species identified were Crescent serpent eagle, Rhinoceros hornbill and Hill myna. These species were also classified as Class 2: Protected Species under Sabah Environment Protection Enactment 2002. The estate has continued to implement action plan listed in the Wildlife Survey Repot.</p>
	5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance</p>	YES	<p>Ribubonus Estate has established an action plan for HCV area titled 'HCV Monitoring and Action Plan FY2016 - 2020'. The plan was reviewed on 9 June 2017. Among the activities conducted were (i) HCV monitoring, (ii) awareness training to workers, (iii) to attend Honorary Wildlife Warden Training on 8-10 August 2017 and also (iv) rehabilitation for riparian areas in Ribubonus Estate in December 2017.</p>
	5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p>	YES	<p>A training programme for year 2017 was available. Among the training included the awareness training for HCV and RTE which was carried out on 8 June 2017. An appropriate disciplinary measures was instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p>

**RSPO P&C AUDIT REPORT**

		Minor Compliance																				
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> <li>The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>Outcomes of monitoring shall be fed back into the action plan.</li> </ul> Minor Compliance	YES	A continuous monitoring activities were conducted at the Ribubonus CU. The status of HCV and RTE species that are affected by plantation or mill operations were documented and reported. The monitoring activities were conducted by monthly basis. The monitoring was recorded in the monitoring report titled 'HCV Monitoring' dated 21 June 2017, 12 May 2017, 19 April 2017, 17 March 2017, 15 February 2017 and 21 January 2017.																		
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	YES	There is no HCV set-asides with existing rights of local communities in Ribubonus CU. Therefore this indicator not applicable																		
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	Ribubonus POM has established the "Pollution Prevention Plan 2017". The progress of the each of the action plan was monitored by the appointed person-in-charge and reported to the management. The following was sighted: <table border="1" data-bbox="891 1034 1951 1273"> <thead> <tr> <th>Mill process/Activity</th> <th>Waste and source of pollution</th> </tr> </thead> <tbody> <tr> <td>Pressing/Depriparing</td> <td>Shell &amp; Fibre</td> </tr> <tr> <td>Threshing</td> <td>EFB</td> </tr> <tr> <td>Oil recovery</td> <td>Decanter cake/ slurry/ sludge discharge</td> </tr> <tr> <td>Hydrocyclone / clay bath</td> <td>Wet shell and HC &amp; Clay bath discharge water</td> </tr> <tr> <td>Cleaning</td> <td>Cleaning water</td> </tr> <tr> <td>Maintenance</td> <td>Used oil &amp; hydraulic, oil filter and other type of scheduled waste</td> </tr> <tr> <td>Boiler and genset operation</td> <td>Clinkers, smoke and particulate emission</td> </tr> <tr> <td>POME</td> <td>POME liquor and solid</td> </tr> </tbody> </table> <p>For the Ribubonus Estate, the "Waste &amp; Pollution Identification Prevention Mitigation &amp; Enhancement Plan"</p>	Mill process/Activity	Waste and source of pollution	Pressing/Depriparing	Shell & Fibre	Threshing	EFB	Oil recovery	Decanter cake/ slurry/ sludge discharge	Hydrocyclone / clay bath	Wet shell and HC & Clay bath discharge water	Cleaning	Cleaning water	Maintenance	Used oil & hydraulic, oil filter and other type of scheduled waste	Boiler and genset operation	Clinkers, smoke and particulate emission	POME	POME liquor and solid
Mill process/Activity	Waste and source of pollution																					
Pressing/Depriparing	Shell & Fibre																					
Threshing	EFB																					
Oil recovery	Decanter cake/ slurry/ sludge discharge																					
Hydrocyclone / clay bath	Wet shell and HC & Clay bath discharge water																					
Cleaning	Cleaning water																					
Maintenance	Used oil & hydraulic, oil filter and other type of scheduled waste																					
Boiler and genset operation	Clinkers, smoke and particulate emission																					
POME	POME liquor and solid																					

**RSPO P&C AUDIT REPORT**

				<p>was established. The management has appointed the relevant person-in-charge to handle and monitor the action plan defined in the 2016 Management Plan. Site visit at scheduled waste store, chemical &amp; fertilizer store and workshop confirmed the identified waste were relevant with the documentation.</p> <p>Some of the wastes identified are recyclable wastes plastic (from household, inner-layer of fertilizer bags), paper (from office &amp; household) and metal (from workshop &amp; household) sent to recycle centre. Domestic wastes other than recyclable item were collected and buried at the estate's landfill site.</p>								
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	Ribubonus CU continued to adopt the Triple Rinsing Procedure for managing the empty chemical containers. The 'Triple Rinsing' records were maintained and the auditor had verified disposal records for Jan, Feb, March 2017. All rinsed chemical containers were punctured and sold to Newgates Industries (Borneo) Sdn. Bhd. Sighted the letter from the Agricultural Department dated 18 <sup>th</sup> March, 2011 approving the company to collect the rinsed empty chemical containers. Used chemical containers generated from the mill was disposed as scheduled waste i.e. SW 409.								
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	<p>Ribubonus CU continued to implement the Waste and Pollution identification, Prevention, Mitigation and enhancement Plan (updated on 14 May 2016). In addition, Ribubonus CU also continue to implement SOP "Handling of Scheduled Waste" which was established to guide the management of scheduled wastes. Scheduled wastes were disposed through DOE's licensed scheduled waste contractor - Legenda Bumimas Sdn. Bhd. The storage and disposal of the following wastes were reviewed and found to be satisfactory. Sighted Scheduled wastes i.e. SW 305 used lubricant oil disposal to Legenda Bumimas Sdn. Bhd. Sixth Schedule dated: 22 Nov. 2016. Quantity = 150kg. Sighted the DOE license for Legenda Bumimas. Clinical Waste SW 404 was collected by Sedafiat Sdn Bhd. Sighted the consignment note dated 23 March 2017 for the disposal of 1.96kg of SW404. The Seventh Scheduled of the wastes was also available and provided to the transporter during the disposal.</p> <p>The site visit confirmed that the domestic wastes were disposed in accordance with the waste plan. Scheduled wastes stores were also observed no trace of negative impact to environment.</p> <p>Waste management and disposal plan related to EFB was not fully implemented. Observed at Ribubonus mill – EFB compost plant was not managed in accordance with waste management plan and <i>Sijil Kebenaran Bertulis</i> (SPE -118/2007 &amp; SPE -007/2008). Refer NCR RA 01</p>								
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	YES	<p>Ribubonus CU continued to maintain the management plan on efficient use of fossil oil and optimize renewable energy. The plan was monitored on monthly basis. Sighted monitoring records for diesel consumption for Jan to Jun 2017 . Monitoring include use of diesel by own farm tractor &amp; mini tractor , contractor lorries, genset, other i.e. water pump, ferry &amp; milling operation. The following were recorded in the records:</p> <p>Ribubouns Estate</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel Consumption (Litre )</th> <th>FFB Processed (MT)</th> <th>Ratio Diesel/FFB</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Month	Diesel Consumption (Litre )	FFB Processed (MT)	Ratio Diesel/FFB				
Month	Diesel Consumption (Litre )	FFB Processed (MT)	Ratio Diesel/FFB									



**RSPO P&C AUDIT REPORT**

				<table border="1"> <tr><td>Jan 17</td><td>24875</td><td>4390.86</td><td>5.67</td></tr> <tr><td>Feb 17</td><td>20106</td><td>4644.54</td><td>4.33</td></tr> <tr><td>Mar 17</td><td>26893</td><td>5610.41</td><td>4.79</td></tr> <tr><td>Apr 17</td><td>25626</td><td>6905.38</td><td>3.71</td></tr> <tr><td>May 17</td><td>26302</td><td>5955.96</td><td>4.42</td></tr> <tr><td>June 17</td><td>27049</td><td>4886.58</td><td>5.54</td></tr> </table> <p>Ribubonus mill</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel Consumption (Litre )</th> <th>FFB Processed (MT)</th> <th>Ratio Diesel/FFB</th> </tr> </thead> <tbody> <tr><td>Jan 17</td><td>14,750</td><td>4390.86</td><td>3.36</td></tr> <tr><td>Feb 17</td><td>13,450</td><td>4644.54</td><td>2.90</td></tr> <tr><td>Mar 17</td><td>17,200</td><td>5610.41</td><td>3.06</td></tr> <tr><td>Apr 17</td><td>12,120</td><td>6905.38</td><td>1.76</td></tr> <tr><td>May 17</td><td>10,800</td><td>5955.96</td><td>3.65</td></tr> <tr><td>June 17</td><td>10,100</td><td>4886.58</td><td>2.07</td></tr> </tbody> </table> <p>A biogas plant has been constructed to capture the methane gas generated from the effluent treatment plant. The biogas will be used in a biogas engine to produce electricity for mill and domestic use. Visit to biogas plant was confirmed bio gas plant has been completed and tentatively will be in operation end of 2017. At the time of audit the construction biogas plant has been completed and in the progress to installed</p>	Jan 17	24875	4390.86	5.67	Feb 17	20106	4644.54	4.33	Mar 17	26893	5610.41	4.79	Apr 17	25626	6905.38	3.71	May 17	26302	5955.96	4.42	June 17	27049	4886.58	5.54	Month	Diesel Consumption (Litre )	FFB Processed (MT)	Ratio Diesel/FFB	Jan 17	14,750	4390.86	3.36	Feb 17	13,450	4644.54	2.90	Mar 17	17,200	5610.41	3.06	Apr 17	12,120	6905.38	1.76	May 17	10,800	5955.96	3.65	June 17	10,100	4886.58	2.07
Jan 17	24875	4390.86	5.67																																																					
Feb 17	20106	4644.54	4.33																																																					
Mar 17	26893	5610.41	4.79																																																					
Apr 17	25626	6905.38	3.71																																																					
May 17	26302	5955.96	4.42																																																					
June 17	27049	4886.58	5.54																																																					
Month	Diesel Consumption (Litre )	FFB Processed (MT)	Ratio Diesel/FFB																																																					
Jan 17	14,750	4390.86	3.36																																																					
Feb 17	13,450	4644.54	2.90																																																					
Mar 17	17,200	5610.41	3.06																																																					
Apr 17	12,120	6905.38	1.76																																																					
May 17	10,800	5955.96	3.65																																																					
June 17	10,100	4886.58	2.07																																																					
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i> . Major Compliance	YES	There was no land prepared by burning at the Ribubonus Estate. The estate had continued to adhere to the policy as per the Agricultural Manual and SOP Item 4, page 51, Green Stacking (Zero Burning) which advocates zero burning for land preparation and as per their Environmental policy item 3 – “Practice zero burning in all plantation development activities and waste disposal...”																																																				
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i> .	YES	There was no evidence that fire had been used for land preparation in Ribubonus Estate. It was noted that no replanting at the visited estate																																																				

**RSPO P&C AUDIT REPORT**

<p>C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions.</p> <p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and</p>	<p>5.6.1</p>	<p><b>Minor Compliance</b> An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p>	<p>YES</p>	<p>Ribubonus CU continued to maintain the "Waste &amp; Pollution Identification Prevention Mitigation &amp; Enhancement Plan". The assessment had included all the activities in the estate and mill. The information was reviewed on 18/5/17. The dust emission from the mill boiler's chimney was monitored on quarterly basis. The result of the monitoring for chimney no. 1 (Report Ref No: MS/RBPOM/2016/BOILER NO.1 (S1)) on March 2017 was reviewed. The dust emission was within the regulatory limit.</p>
---	--------------	--	------------	---

**RSPO P&C AUDIT REPORT**

emissions, including greenhouse gases, are developed, implemented and monitored.																																																										
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	Greenhouse gas emissions were identified to be generated from crop sequestration, fertilizer, N2O from fertilizer, fuel consumption, and peat oxidation. Plans to reduce or minimize them are in place. It was noted that a biogas plant is under construction.																																																						
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	YES	<p>Ribubonus CU is using the RSPO PalmGHG calculator version 3.0.1 as tool to estimate the emissions of its GHG. Verification was carried on the data input in the PalmGHG calculator. From the report the following were reported:</p> <p>Mill emissions:</p> <table border="1" data-bbox="887 667 1675 879"> <thead> <tr> <th>Emission sources</th> <th>tCO<sub>2</sub>e</th> <th>tCO<sub>2</sub>e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td align="right">13081.92</td> <td align="right">0.08</td> </tr> <tr> <td>Fuel consumption</td> <td align="right">805.5</td> <td align="right">0.01</td> </tr> <tr> <td>Grid electricity utilisation</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Export of excess electricity to housing</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Sale of PKS</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Sale of EFB</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td><b>Total</b></td> <td align="right"><b>13887.42</b></td> <td align="right"><b>0.09</b></td> </tr> </tbody> </table> <p>Estate emissions :</p> <table border="1" data-bbox="887 932 1675 1193"> <thead> <tr> <th>Emission sources</th> <th>tCO<sub>2</sub>e</th> <th>tCO<sub>2</sub>e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Land Conversion</td> <td align="right">26704.4</td> <td align="right">0.37</td> </tr> <tr> <td>CO<sub>2</sub> Emissions from Fertiliser</td> <td align="right">2744.8</td> <td align="right">0.04</td> </tr> <tr> <td>N<sub>2</sub>O Emissions</td> <td align="right">3609.51</td> <td align="right">0.05</td> </tr> <tr> <td>Fuel Consumption</td> <td align="right">898.9</td> <td align="right">0.01</td> </tr> <tr> <td>Peat Oxidation</td> <td align="right">2247.37</td> <td align="right">0.03</td> </tr> <tr> <td>Sinks</td> <td></td> <td></td> </tr> <tr> <td>Crop Sequestration</td> <td align="right">-25223.42</td> <td align="right">-0.35</td> </tr> <tr> <td>Conservation Sequestration</td> <td align="right">-1228</td> <td align="right">-0.02</td> </tr> <tr> <td><b>Total</b></td> <td align="right"><b>9753.56</b></td> <td align="right"><b>0.14</b></td> </tr> </tbody> </table> <p>The final emissions value per product are 0.83 tCO<sub>2</sub>e/tCPO and 0.83tCO<sub>2</sub>/tPK. The records pertaining for this calculation were submitted to RSPO as well as kept and made available at site.</p>	Emission sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	POME	13081.92	0.08	Fuel consumption	805.5	0.01	Grid electricity utilisation	0	0	Export of excess electricity to housing	0	0	Sale of PKS	0	0	Sale of EFB	0	0	<b>Total</b>	<b>13887.42</b>	<b>0.09</b>	Emission sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	Land Conversion	26704.4	0.37	CO <sub>2</sub> Emissions from Fertiliser	2744.8	0.04	N <sub>2</sub> O Emissions	3609.51	0.05	Fuel Consumption	898.9	0.01	Peat Oxidation	2247.37	0.03	Sinks			Crop Sequestration	-25223.42	-0.35	Conservation Sequestration	-1228	-0.02	<b>Total</b>	<b>9753.56</b>	<b>0.14</b>
Emission sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB																																																								
POME	13081.92	0.08																																																								
Fuel consumption	805.5	0.01																																																								
Grid electricity utilisation	0	0																																																								
Export of excess electricity to housing	0	0																																																								
Sale of PKS	0	0																																																								
Sale of EFB	0	0																																																								
<b>Total</b>	<b>13887.42</b>	<b>0.09</b>																																																								
Emission sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB																																																								
Land Conversion	26704.4	0.37																																																								
CO <sub>2</sub> Emissions from Fertiliser	2744.8	0.04																																																								
N <sub>2</sub> O Emissions	3609.51	0.05																																																								
Fuel Consumption	898.9	0.01																																																								
Peat Oxidation	2247.37	0.03																																																								
Sinks																																																										
Crop Sequestration	-25223.42	-0.35																																																								
Conservation Sequestration	-1228	-0.02																																																								
<b>Total</b>	<b>9753.56</b>	<b>0.14</b>																																																								

**RSPO P&C AUDIT REPORT**

**Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS**

Clause	Indicators	Comply Yes/No	Findings
C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	YES A Social Impact Assessment for Ribubonus CU entitled Primary Report of SIA (Design Phase) for Ribubonus Palm Oil Plantations and Ribubonus Palm Oil Mill of PPB Oil Palm Berhad (Sabah) was conducted in 2009. This SIA report was used as the basis for managing social issues in the CU. The report was prepared with the participation of the relevant stakeholders including the estate workers, governmental agencies, local businesses, panel OHD doctor, contractors/suppliers, neighbouring local communities and outgrowers.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES There were evidence of participation from smallholders, contractors, nearest villagers such as Kg Gading, Kg. Gambaron, Kg. Malapi, and Kg. Baba in the assessment. The inputs from the participants were incorporated in the social management action plan.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	YES Plans for avoidance or mitigation of negative impacts and promotion of the positive ones were established in the SIA Management Plan. The monitoring of impacts identified was developed in consultation with the affected parties. The SIA Action Plan for 2017 were documented and included the timetabled, including responsibilities for implementation of each of the actions.
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the	YES Ribubonus POM has reviewed their Social Action Plan FY2017 with participation of affected parties during stakeholders meeting. The meeting was carried out on 7 July 2017.  Ribubonus Estate has reviewed their social action plan on yearly basis and updated as necessary in those cases where the review has concluded that changes should be made to current practices. The SIA Management Action Plan was reviewed on 8 July 2017 after stakeholders meeting with the affected parties on 7 July 2017 and attended by local communities (JKKK Kg. Baba, Kg. Ansuran and Kg. Gading), and

**RSPO P&C AUDIT REPORT**

		review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties Minor Compliance		outgrowers (Bentara Hijau SB, Twin Acres SB & Darul Harapan Sdn Bhd) and also FFB transporter (Syarikat Merlina Sdn Bhd).
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). Minor Compliance	YES	No smallholder schemes in the Ribubonus CU.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	YES	Consultation and communication procedures stated in the Standard Operating Procedure for Consultation and Communication [Document No. RSPO 6.2(2)] as reported in the last audit was still used by the CU in handling internal and external communications. The document was prepared by the RSPO Unit of PPB Oil Palms Bhd.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	As defined in the communications procedure, the respective manager is the person appointed to handle communication matters. Ribubonus Estate Manager (appointed on 2 May 2017) and Ribubonus POM Manager (14 March 2017) have been appointed by the General Manager as the officer in-charge of communication.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.	YES	Ribubonus POM and Ribubonus Estate continued to maintain stakeholders list with latest revision dated 1 June 2017 and 17 April 2017. The list included the government agencies, contractors/suppliers (including FFB suppliers for mills), neighbouring estates, local communities and NGOs.

**RSPO P&C AUDIT REPORT**

		Minor Compliance		
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	YES	In the event of a dispute, complaints or whistleblowing, the CU will manage it through the "Whistle Blowing Policy" which was issued on 5/8/2015 (Version 3) and "Dispute and Grievances Procedure" (Document PPB/RSPO 6.3(2.2)/(1)) dated 11 May 2015. The procedure starts with the receipt of complaint from any party, its investigation, proposed solutions and acceptance of the solutions or otherwise. If the proposed solution was rejected, the dispute will be brought for third party arbitration. Grievance or dissatisfaction and request for services on the part of the employees can be conveyed through the "Borang Aduan (Complaints Form)"- Document RSPO/C6.3 (01)/0111 and the "Borang Permohonan (Request Form)"- Document RSPO/C6.2 (00)/0611. PPB Oil Palms Berhad had established a standard operating procedure on 'Grievances and Complaint' (PPB/RSPO 6.3 (2.2)/(1)).
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	The CU reported that in the past there were no disputes, in any form. The domestic inquiry files were examined to find out whether or not the decisions of the panels of the enquiry had been contested. For grievances from employees, there was no grievances/complaints recorded for Ribubonus Estate and Ribubonus POM except for request for house maintenance. Housing complaints from the workers were handled satisfactorily by the estate/mill. Interviews with 3 Indonesian workers at Ribubonus POM and 23 Indonesian workers (7 manuring and 16 slashing) at Ribubonus Estate revealed that they were quite happy with the policies of the estates pertaining to wages, jobs, housing, water, electricity, children education, and clinic services.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	YES	In the event of cases involving the loss of customary land rights, the estate will manage them using the procedure entitled "Process for Identification of Legal and Customary Rights and Identifying People Entitled for Compensation" which was adopted in 30 July 2009. Essentially, the procedure describes how to check for legal status of the lands in question and lays out the criteria in deciding who should be compensated and the amount of compensation.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and	YES	As mentioned in 6.4.1, the procedure had addressed the determination of compensation. The process and outcome of any compensation claims is documented and made publicly available. Other than the land dispute mentioned in 6.3.2, there had not been any other issue of land claims involving the estate. Thus there had not been any compensation claim made against the estate.

**RSPO P&C AUDIT REPORT**

		<p>evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</p> <p>This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>Minor Compliance</p>		
	6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>Major Compliance</p>	YES	There was no issue raised related to the compensation claims at Ribubonus CU since the last audit in 2015. Hence, this indicator was not applicable.
C 6.5 Pay and conditions for employees and for contract workers	6.5.1	<p>Documentation of pay and conditions shall be available.</p> <p>Major Compliance</p>	YES	Pay slip for 3 Indonesian workers at Ribubonus POM and 23 Indonesian workers (7 manuring and 16 slashing) at Ribubonus Estate have been verified by auditor. It was confirmed that their wages had followed the minimum national wages where all the wages were above the minimum wage requirement (> RM920). Employee's pay slip (foreign worker) for sprayer and harvester for April, Mei, June 2017 and employment

**RSPO P&C AUDIT REPORT**

<p>always meet at least legal or industry minimum standards and are sufficient to provide decent living wages</p>	<p>6.5.2</p>	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance</p>	<p>YES</p>	<p>agreement had been checked and verified; The employment contract was in Bahasa for foreign workers and English for local workers. The pay slip is in Bahasa and the workers were explained by the management and quite understand the payslip. The contracts stated the working hours, employee provident fund (for local only), annual leave, medical benefits and sick leave, insurance scheme, retirement, and etc. During interview with workers as mentioned in 6.5.1, they understood the content of their contract of employment.</p>
	<p>6.5.3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to</p>	<p>NO</p>	<p>As reported in the previous audit report, the Ribubonus CU still maintains its policies on housing, water and electricity supply. Electricity and water supply is subsidized. Religious, medical, educational - Humana School and child care facilities – Creche Ayah are still offered as before. Any maintenance and service for housing and facilities can be requested from mill and estates management with free of charge. During interview with workers (3 Indonesian workers at Ribubonus POM and 23 Indonesian workers at Ribubonus Estate) at Ribubonus CU, they were satisfied with the accommodation and other facilities provided to them.</p> <p>The auditor has verified that the CU has conducted maintenance for sanitation at worker's quarters. The inspection report was verified by mill and estate manager.</p> <p>On line site inspection at Ribubonus POM, the mill person-in-charge has conducted linesite inspection by weekly as per Section 23- Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) as verified through linesite inspection record dated 10 June 2017, 17 June 2017, 24 June 2017 and 30 June 2017.</p> <p>However at Ribubonus Estate, linesite inspection was not consistently conducted from April to June 2017 as listed below:</p> <ol style="list-style-type: none"> <li>1. Conducted once in June; 14 June 2017</li> <li>2. Conducted three times in May; 3, 8 &amp; 31 May 2017</li> </ol>



**RSPO P&C AUDIT REPORT**

		smallholders). Minor Compliance		<p>3. Conducted three times in April; 4, 19 &amp; 20 April 2017</p> <p>This was found to be not consistent with Section 23- Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). Due to this finding was a recurrence issue from last year audit which had been raised as Minor NCR, therefore this finding was upgraded to Major NCR MRS 01/2017 during this audit.</p> <p>Water treatment analysis was conducted twice a year at Ribubonus Estate for Northern and Eastern Water Treatment Plant. The analysis was conducted on 23 August 2016 and 16 December 2016 at Northern WTP. while at Eastern WTP on 20 April 2016 and 16 December 2016.</p>
	6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food.</p> <p>Minor Compliance</p>	YES	<p>The CU had demonstrated efforts to monitor and improved workers' access to adequate, sufficient and affordable food by monitoring the price list of the canteen operator and sundry shops. Interviews with canteen operator, sundry shop Minogulu and sundry shop Kimura found the price list dated 5 June 2017 were verified by the Ribubonus CU.</p>
<p>C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>	6.6.1	<p>A published statement in local languages recognising freedom of association shall be available.</p> <p>Major Compliance</p>	YES	<p>A "Human Right Policy" published in June 2014 was available at site. The policy was written in English and languages understood by the workers. The policy included statement that the management recognized the freedom of association. The policy is displayed at various locations within the estate/mill area. The CU had also published statement on freedom of workers to join legal union entitled Himbauan. The statement included, among others included the workers are allowed to join any registered organizations or associations and also foreign workers are not allowed to hold any positions in the organizations or associations. The workers whom were consulted had confirmed that they were aware of their rights to join a union.</p>
	6.6.2	<p>Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p>Minor Compliance</p>	YES	<p>As reported in previous audit, the workers are not unionised. However, workers' representatives have been appointed as members of the Social and Welfare Committee in the estates and mill.</p> <p>At the Ribubonus Estate, the Social and Welfare Committee meeting was conducted on 31 March 2017 as verified through the meeting minute.</p> <p>At the Ribubonus POM, auditor has verified the meeting minute of Social and Welfare Committee dated 9 May 2017. Through these committees, the worker's issues both from local and foreign staffs and workers were brought to the attention of the management.</p>
<p>C 6.7 Children are not employed or exploited.</p>	6.7.1	<p>There shall be documentary evidence that</p>	YES	<p>The child labour policy (September 2010) is publicly available at the visited estates and mill. The policy statements emphasis on child under 18 years must not be employed to work in hazardous jobs.</p>

**RSPO P&C AUDIT REPORT**

		minimum age requirements are met. Major Compliance		Verification through employment card and copies of passports of foreign workers (3 Indonesian workers at Ribubonus POM and 23 Indonesian workers at Ribubonus Estate) and Master Data Payroll Employee Report for 2017 for the Ribubonus Estate and POM confirmed that there was no persons under age of eighteen (the minimum working age under Malaysian Labor Laws) being employed.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	YES	The equal opportunity policy (dated September 2010) is publicly available in the estate and POM. The policy statements emphasize on worker information, recruitment and selection, training, employee development, terms of service and records of service. This policy is posted on notice boards for the understanding of the public and workers
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	YES	The terms of employment, work assignments, housing policy and other requirements have not been found to be discriminatory. Interviews with workers and other stakeholders also revealed that the Ribubonus CU has not discriminated its staffs and workers. Migrant workers receive similar pay, stay in the same house and enjoy similar medical benefits as their local counterparts. It was confirmed during interview with 3 Indonesian workers at Ribubonus POM and 23 Indonesian workers at Ribubonus Estate.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	Ribubonus CU has demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs was available in "Recruitment selection, Hiring and Promotion" (PPB/HR/(0)/0752015) dated 7 May 2015 for staff and "Recruitment of Workers" PPB/HR/RSPO 6.12.3/220515 for workers.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and	YES	A Policy on Sexual Harassment, Violence and Abuse, Reproductive Rights Policy dated June 2014 was verified. The policy was communicated to all levels of workforce by displaying it at the notice board and morning briefing at Ribubonus POM on 29 May 2017 and Ribubonus Estate on 8 June 2017.

**RSPO P&C AUDIT REPORT**

protected.		communicated to all levels of the workforce. Major Compliance		
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	YES	A Policy on Sexual Harassment, Violence and Abuse, Reproductive Rights Policy dated June 2014 was verified. The policy was communicated to all levels of workforce by displaying it at the notice board and morning briefing at Ribubonus POM on 29 May 2017 and Ribubonus Estate on 8 June 2017.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	YES	Ribubonus CU has followed standard operating procedure on handling grievance / social issues which was established by PPB entitled "Dispute & Grievances Procedure, PPB/RSPO 6.3 (2.2)/(1) dated 11 May 2015. The policy was communicated to all levels of workforce during morning briefing at Ribubonus POM on 29 May 2017 and Ribubonus Estate on 8 June 2017.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	YES	Current and past prices for Fresh Fruit Bunches (FFB) was displayed by monthly at Ribubonus POM's weighbridge from December 2016 to June 2017 as verified during the audit.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are	YES	A Stakeholders Committee Meeting was conducted at Ribubonus CU on 7 July 2017 to discuss issues on pricing and contracts. The meeting was chaired by the Mill Manager. Members of the committee were made up of representatives from the mill's management, estate manager, FFB suppliers, contractors and workers representatives. Issues related to FFB transaction were raised and discussed in this Committee. Pricing mechanisms were discussed during briefing with stakeholders as evidenced in meeting minutes dated 7 July 2017 entitled 'Minit Mesyuarat Stakeholder' (Stakeholders Meeting).  Interviews were carried out with (i) FFB transporter from Syarikat Merlina Sdn Bhd, (ii) outgrowers (Bentara Hijau Sdn Bhd, Twin Acres Sdn Bhd, Darul Harapan Sdn Bhd & Reward Plantation Sdn Bhd), (iii)

**RSPO P&C AUDIT REPORT**

		under the control of the mill or plantation). Major Compliance		independent smallholders (Richard Jaffar, Samanah Sungkilah & Rukinah Matusip) and also (iv) Collection Centre Halus Cahaya showed that they understood the business relationships between them and the mill. These stakeholders were satisfied on their FFB trading with the mill as payments were promptly made.
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	YES	There was no agreement or contract between the mill and the third party FFB suppliers. The suppliers are free to sell their FFB to other surrounding mills (such as the IJM mill and Tanah Mas mill) or to the private collection centre in the region. The FFB monthly price is following the guideline from MPOB which is accessible via <a href="http://www.bepi.mpob.my">www.bepi.mpob.my</a> and also via SMS. The final price is decided by PPB Sandakan Office using the formula entitled "Pengiraan Harga Untuk Pembelian FFB Estate Luar". Currently, there was no complaint regarding prices and other FFB related dealings between mill and suppliers were registered with the Mill Manager. Among the comments received were that the prices offered by the CU had followed the MPOB's guidelines and payments were made by cheque.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Based on interview with FFB transporter from Syarikat Merlina Sdn Bhd, the audit team was informed that payments were made in a timely manner. Payment was made every 7 to 10 <sup>th</sup> of the month. If the payment cannot be paid as agreed, the estate or mill clerk will inform them first. Interviewed with outgrowers (Bentara Hijau Sdn Bhd, Twin Acres Sdn Bhd, Darul Harapan Sdn Bhd & Reward Plantation Sdn Bhd), independent smallholders and also Collection Centre Halus Cahaya also confirmed that they usually received payment of FFB by cheque at 7 to 10 of month. Payment using cheque is as defined in the SOP.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	YES	Contributions to local development that were based on the results of consultation with local communities were demonstrated during stakeholder meeting. Among the services provided were as follow: 1. Free ferry services for all villagers from Kg. Baba, Kg. Ensuan, Kg. Gading and Kg. Melapi 2. Constructing bus stop and open hall for Sk. Pekan Telupid 3. Road maintenance for Kg Baba and Kg Ensuan across the estate (to send their FFB)
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	YES	There was no scheme smallholders at Ribubonus CU.
C 6.12 No forms of forced or trafficked labour are	6.12.1	There shall be evidence that no forms of forced or	YES	There was no trafficked labour used. This was verified through interview with interview with 3 Indonesian workers at Ribubonus POM and 23 Indonesian workers at Ribubonus Estate, verification of their passport, contract agreements and work permit for field workers. The interviewed workers informed that they were

**RSPO P&C AUDIT REPORT**

used.		trafficked labour are used. Major Compliance		employed voluntarily and freely, without the threat of a penalty. Workers have the freedom/right to terminate the employment contract without penalty by giving a 28 days' notice. The CU has established a policy titled "No Deforestation, No Peat, No Exploitation Policy, dated 5 Dec 2013, where any forms of forced or trafficked labour are not allowed for workers including contract, temporary and foreign workers.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	There is no contract substitution occurred as stated in the labour policy and procedures was established and implemented as Recruitment of Workers" PPB/HR/RSPO 6.12.3/220515 dated 22 May 2015. This was confirmed through the interviews with the workers during the site audit.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	A special labour policy and procedure known as" Recruitment of Workers" PPB/HR/RSPO 6.12.3/220515 dated 22 May 2015 was established. The procedure included the process of employing foreign workers.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). Major Compliance	YES	A Wilmar Human Right Policy dated June 2014 is available at the Ribubonus POM and Ribubonus Estate. The policy was signed by the Group Plantation Head. The policy was communicated to all levels of the workforce within the CU. A leaflet regarding Human Right and Sexual Harassment was distributed to all workers at Ribubonus POM and Ribubonus Estate. The awareness training to the employees was conducted at Ribubonus POM on 29 May 2017 and Ribubonus Estate on 8 June 2017. Attendance list and pictorial report were verified during the audit.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	YES	One Humana and Community Learning Centre (CLC) school and two Crèche were constructed near Central Division to secure workers children access to education as moral obligation. A total of 85 children from 7 – 12 years old was schooling in CLC and Humana at Ribubonus CU. Site visit to CLC found the infrastructure was well maintained with new paint and play ground was provided by Ribubonus CU.

**RSPO P&C AUDIT REPORT**

**Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS**

Ribubonus CU has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through [www.globalforestwatch.com](http://www.globalforestwatch.com), GOOGLE Maps Data, Estate Maps and also through visits to the sites that there was no new planting and no new development of area was observed, Therefore this Indicator was not applicable

**Principle 8: COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY**

Clause	Indicators	Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a) Reduction in use of pesticides(Criterion 4.6);	YES	Ribubonus Estate continued to manage pests, disease and weeds using appropriate IPM techniques and IPM plan. The plan advocated Training, Beneficial Plants, Pest & Disease census, Spraying timing & use of Surfactants and Calibration of Spraying Equipment.  The estate had planted beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . Only spraying of circles & paths was carried out while noxious weeds were mainly slashed. Spraying was carried only when required. Soft weeds and <i>Nephrolepis bisserata</i> were maintained and encouraged in the inter rows. Rat baiting is carried out only when rat damage census showed above threshold level. EFB was applied in single layers and was not dumped in large amounts to prevent breeding of Rhinoceros Beetles. VOPs were manually removed.
	b) Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	Environmental Improvement Plan / Pollution Prevention Plan FY 2016 / 2017 has been established. Among the environmental impact identified applicable at Ribubonus CU are Water pollution: <ul style="list-style-type: none"> <li>• Spillage of scheduled wastes from the operation of machinery. Mitigation: Daily checking by staff before use any machinery</li> <li>• Leachate from EFB stockyard. Mitigation: construction of bund (retention wall)</li> </ul>

**RSPO P&C AUDIT REPORT**

				<ul style="list-style-type: none"> <li>Land irrigation – accidental overflow due to heavy rain. Mitigation: Frequent checking by staff of the drainage system. If there is any blockage found, machinery is ready to relieve.</li> <li>Fertilizer leaching due to excessive agrochemical &amp; chemical spillage. Mitigation: SOP, SSOP and riparian guideline to be adhered for manuring &amp; spraying operation. Conduct pump spray calibration periodically.</li> </ul> <p>Air pollution:</p> <ul style="list-style-type: none"> <li>Dark smoke from boiler. Mitigation: dust collector, boiler preventive maintenance, monitoring particulate emission and opacity.</li> <li>Smoke from generator set. Mitigation: preventive maintenance on engine room</li> <li>Smoke from estate tractors. Mitigation: preventive maintenance on engine</li> </ul> <p>Soil contamination:</p> <ul style="list-style-type: none"> <li>Scheduled wastes generation – Mitigation: to be handled in accordance with the environmental regulations.</li> </ul> <p>Implementation of the identified mitigation was observed on site and interview with workers was confirmed they are aware on the important to ensure negative impact to environment to be controlled and monitored.</p>
	c)	Waste reduction (Criterion 5.3);	YES	<p>Ribubonus POM has established the “Pollution Prevention Plan 2016”. Person in-charge for each of the action plan had been appointed and the management had monitored the progress of the action plan.</p> <p>For Ribubonus Estate, the “Waste &amp; Pollution Identification Prevention Mitigation &amp; Enhancement Plan” was established. The management has monitored through Waste Management Plan 2016 and has appoint person in charge to handle each plan. Some of the waste identified were scheduled wastes, domestic wastes, clinical wastes, and industrial wastes.</p>
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	<p>Ribubonus mill has completed the construction of biogas plant &amp; now in the midst of commissioning stage. As reported to RSPO using PalmGHG calculator version 3.0.1 the result of final emissions value per product are 0.83 tCO<sub>2</sub>e/tCPO and 0.83tCO<sub>2</sub>/tPK</p>
	e)	Social impacts (Criterion 6.1);	YES	<p>The CU continued to implement the identified social action which was developed as a result of stakeholder’s consultation and meetings. Contributions to local development that were based on the results of consultation with local communities. Among the action plan that had been implemented were</p> <ul style="list-style-type: none"> <li>Free ferry services for all villagers from Kg. Baba, Kg. Ensuan, Kg. Gading and Kg. Melapi</li> <li>Maintain the access road for daily usage of workers, local communities and nearby outgrowers.</li> <li>Construction on new housing H-type to replace wooden houses at Ribubonus Estate (Eastern) which would be completed in October 2017</li> </ul>

**RSPO P&C AUDIT REPORT**

	f)	Encourage optimising the yield of the supply base	YES	<p>As Ribubonus Estate is part of a well-established organization. The yield performance has always been the top priority in ensuring long-term economic and financial viability. Various efforts have been carried out to optimise the yield of the plantation. These included the following:</p> <ul style="list-style-type: none"> <li>• Selection of good planting material.</li> <li>• Maintaining optimum stand per hectare.</li> <li>• minimising crop losses,</li> <li>• ensuring the soil fertility is maintained by timely and proper application of fertilisers,</li> <li>• EFB application in marginal soil areas</li> <li>• Maintaining transportation facilities in good condition for efficient crop evacuation.</li> </ul>
--	----	---	-----	--

**ATTACHMENT 4**

**Details of Non-conformities and Corrective Actions Taken for RSPO P&C MYNI 2014**



**RSPO P&C AUDIT REPORT**

<b>P &amp; C Indicator</b>	<b>Specification Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action Taken</b>	<b>Verification by Auditor</b>
Indicator 5.3.3	Minor	Waste management and disposal plan related to EFB was not fully implemented. Observed at Ribubonus mill – EFB compost plant was not managed in accordance with waste management plan and <i>Sijil Kebenaran Bertulis</i> (SPE -118/2007 & SPE -007/2008)	Area was cleaned and one operator was dedicated for the composting operation and cleanliness. Canvas was sourced from other mill to cover up composting window.	The action plan was acceptable. Effectiveness of the implementation will be verified in the next surveillance audit.  Status: Open
Indicator 4.1.2	Major (upgraded from minor NC 2016)	The procedure on Palm Trunk Maintenance as per clause 4.0 of chapter 6 (2) Wilmar International Limited Agriculture Manual & Standard Operating Procedure for Oil Palm was not complied with. At time of visit to Ribubonus Estate observed large number of woody epiphytes growths still existed on palm trunks in Block 005.	Epiphytes poisoning programme is developed in order to conduct a systematic poisoning exercise and monitoring. The poisoning of epiphytes at block 005 was completed on 18/7/2017. Warning letter was issued to the staff in charge for him to improve his field work.	Photo of epiphytes poisoning at block 005 were submitted to auditor for verification.  Status: Closed
Indicator 4.7.3	Major	Appropriate protective equipment for workers applying fertilisers as per Chapter 3, SSOP for Oil Palm Plantation Manual of PPB Oil Palms Berhad was not being used by workers. Ribubonus Estate – At time of visit all workers applying NPK fertilizer in Block 057 were not using rubber boots.	Procedure for ordering and stocking of PPE for replacement was established. Rubber boots were provided to the concerned manuring gang together with PPE issuance records.	Copy of procedure was verified and found adequate. Photo of the PPE usage was provided to the auditor.  Status: Closed
Indicator 4.7.5	Minor	Ribubonus Estate – At time of visit large first aid boxes were not available for the harvesting gang carrying out harvesting in block 075 and EFB applying gang applying EFB in block 062.	A checklist showing all the field gangs under the charge of each field staff will be developed and it will be under the care of the EHS personnel. This checklist will also be used for the monthly sending of first aid boxes to estate clinic for replenishment. This action plan expected to be completed by 15/8/2017  Harvester & EFB gangs will be provided with first aid boxes and the holder will be trained. This action plan expected to be completed by 15/8/2017	The action plan was acceptable. Effectiveness of the implementation will be verified in the next surveillance audit.  Status: Open
Indicator 4.8.2	Minor	Ribubonus Estate – At time of visit records of training for GAP activities like Harvesting, Pruning, Selective Weeding, Manuring, were not available	Field training on the SOP will be provided to various field operation workers & record will be updated.	The action plan was acceptable. Effectiveness of the implementation will be verified in the next surveillance audit.  Status: Open

**RSPO P&C AUDIT REPORT**

Indicator 6.5.3	Major (upgraded from minor NC 2016)	Ribubonus Estate had carried out weekly inspection of workers quarters from September 2016 until March 2017. However, the weekly inspections were not consistently carried out from April to June 2017. Inspection were only carried out as follows: a) 14 June 2017 b) 3, 8 & 31 May 2017 c) 4, 19 & 20 April 2017	The weekly worker quarters inspection programme was developed and displayed at clinic, EHS and senior manager office notice board for easy monitoring. The inspection report was submitted to the senior manager for further action.	Copy of inspection programme &. Photo of the inspection report was provided to the auditor for verification.  Status: Closed
--------------------	--	--	--	--

**ATTACHMENT 5**

**RSPO Supply Chain at the Ribubonus Palm Oil Mill – Mass Balance – Module E**

Item	Requirement NOV 2014	Findings
------	----------------------	----------

## RSPO P&C AUDIT REPORT

No		
<b>E.1</b> E.1.1	<b>Definition</b> Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume of sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	All RSPO-certified FFBs were supplied from Ribubonus Estate while non-certified FFBs were bought from out-growers and independent smallholders from the surrounding area of Ribubonus mill. Since Ribubonus mill had continued to process both RSPO-certified and non RSPO-certified FFBs, therefore it had maintained the Mass Balance model for its RSPO supply chain system.  For the period from June 2016 to May 2017, all the 154,281.60 mt of FFBs were received and with balance from the previous period, a total of 154,323.02mt were processed to produce a total of 33,605.03 mt of crude palm oil (CPO) and total of 6,255.03 mt of palm kernel (PK).  The total of RSPO-certified CPO produced is 11,418.45 mt while RSPO-certified PK produce is 2,966.69 mt.
E 2 E..2.1	<b>Explanation</b> The estimated total tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil products (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	The estimated FFB process, CPO and PK production for the period from June 2017 to May 2018 are as follow:  A total of 161,945.42 mt of FFBs are expected to be processed to produce a total of 36,437.72 mt of crude palm oil (CPO) and total of 7,166.24 mt of palm kernel (PK). A total of 36,437.72mt CPO and 7,166.24mt PK are expected to be produced, of which 18,073.41 mt of CPO and 3,497.91 mt of PK will be sold as RSPO certified products.
E 2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform or book and claim).	Ribubonus mill is using its parent company (PPB Oil Palms Berhad ) RSPO membership number 1-0011-04-000-00 and held a PalmTrace licence number RSPO_PO1000000169. The sales announcements on RSPO-certified CPO and PKO continued to be made by Willmar International Limited office in Singapore.
<b>E 3</b> E 3.1	<b>Documented procedures</b> The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness	Ribubonus mill continued to implement its SOP-MILL-001 [Standard Operating Procedure (SOP) SCCS & ISCC Supply Chain & Traceability (Mass Balance)]. Standard Operating Procedure (SOP) on the implementation of its supply chain system to meet the requirements of the MB module of the revised RSPO Supply Chain Certification Standard, 21 November 2014. The SOP described the process on handling of incoming RSPO-certified fresh fruit bunches (FFBs), processing of these FFBs, delivery of the RSPO certified crude palm oil (certified CPO) and palm kernel (PK) as well as the maintenance of a daily production record which keeps an 'account' on the quantity of RSPO certified FFBs being processed, the CPO and PK produced and their deliveries as well as on the stock levels.  Ms. Helen Majunah, the Chief Clerk of Ribubonus mill remained to be the Management Representative (MR) whose main responsibility was on the day-to-day administration of the RSPO supply chain traceability systems which includes checking and monitoring the quantity of the in-coming FFBs, production and dispatch of CPO and PK, oil extraction rate (OER), kernel exchange rate (KER), and stock balances of CPO and PK.

## RSPO P&C AUDIT REPORT

	of the facilities procedures for the implementation of this standard.	Interview with Ms. Helen and weighbridge clerk (Norpazila Marji & Vilery Lounis) found that they possessed good knowledge on the requirements of the RSPO Supply Chain Certification Standard. Internal training on RSPO SCCS was conducted on 24 May 2017. The training was attended by new employees i.e. weighbridge, Ms. Nisma related to RSPO SCCS i.e. contract received, weighbridge Another training 8 Dec 2016 by Mr Hanib Libon, Sustainability Team, EMU attended by Mill manager, Engineer, Chief clerk and weighbridge operator. Sighted the training material & satisfactory..
<b>E 3.2</b>	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	There was no change on the procedure on receiving and processing of certified and non-certified FFBs. Every lorry load of FFBs entering Ribubonus mill is accompanied with the dispatch note issued by the supplier. On the receiving of FFBs (certified and non-certified), the Mill Security is responsible to check on the seal and condition of the incoming FFB by checking on the dispatch note issued by the supplying estate. The Weighbridge Clerk then referred to the list of RSPO certified supply base to determine the status of the estate for the in-coming FFBs. There are only one supply base certified RSPO i.e. Ribubonus estate while outsider consisted of smallholders & third party estate such as Reward Plantation Sdn Bhd, and Twin Acre Sdn Bhd and collection centers.  The processing of FFBs (certified and non-certified) is done based on their availability. The production of certified CPO and PK was traceable through the daily production record which keeps an account on the quantity of certified and non-certified FFBs being processed, CPO and PK being produced.
<b>E.4</b> E.4.1	<b>Purchasing and goods in</b> The site shall verify and document the volumes of certified and non-certified FFBs received.	Verified data period (June 2016 to May 2017), Ribubonus mill had received a total of 154,281.60 metric tonnes (MT) of FFB of which 76,226.65 MT were RSPO-certified. The remaining 78,054.95 MT were non-certified FFBs.
E 4.2	The site shall inform the CB immediately if there is a projected overproduction.	There were no overproduction of FFBs thus far. Nevertheless, the SOP on 'Mass Balance Record Monitoring and Record Keeping' requires the Mill Manager to inform the Sustainability Department if there would be a projected overproduction of RSPO-certified CPO or PK. Such information shall also be sent to the relevant certification body.
<b>E.5</b> E.5.1	<b>Record keeping</b> a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold	(a) Ribubonus mill had continued to maintain the 'Daily Production Record' to keep an 'account' on the quantity of FFBs it received, processed and production of RSPO certified CPO and PK, actual oil extraction rate (OER) and kernel extraction rate (KER), delivery and stocks of certified FFBs, CPO and PK. The Daily Production Record ensures that the quantity of CPO and PK being delivered had not exceeded that produced by the mill.  Ribubonus mill continued to use the fixed inventory period of 3 months to ensure the quantity of the certified FFBs being processed and the CPO and PK being dispatched were in balance. The record entitle "Quarterly Report of Incoming Sustainable raw material " also include FFB received CPO & PK delivered as well as CPO delivered as RSPO and ISCC and PK delivered RSPO or non certified. The delivery/dispatch of certified CPO and PK would be guided by the POM's annual projected production of RSPO certified CPO and PK in the CU's RSPO Certificate.

**RSPO P&C AUDIT REPORT**

	<p>before it is in stock.)</p> <p>For further details refer to Module C.</p>	<p>(b) All volume of palm oil and palm kernel oil that are delivered are deducted from the material accounting system. The ground information on the POM's production of CPO and PK and their stocks was channelled to the CSR Department and the Trading/Marketing Department in Kuala Lumpur and Singapore through the Mass Balance Record.</p> <p>CPO and PK Contract initiated from PGEO marketing, KL (on behalf of Sandakan Edible Oil Refinery) then forwarded to Sandakan Regional Office on behalf of Mill. Verified Summary of the contact for month of April 2017, March 2017 &amp; Dec 2016.</p> <p>(c) Base on the mass balance record mill has delivered the positive stock. The delivery/dispatch of certified CPO and PK would be guided by the POM's annual projected production of RSPO certified CPO and PK in the CU's RSPO Certificate.</p>
E 5.2	<p>In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p>	<p>Ribubonus POM had not outsourced the crushing of the PKs it produced. All the PKs produced were dispatched to the Sandakan Edible Oil, a company under the Willmar Group located in Sandakan for further processing.</p>

**ATTACHMENT 6**

**Status of Non-conformities Previously Identified**

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Auditor
-----------------	---------------------------	-------------------------	-------------------------	-------------------------

**RSPO P&C AUDIT REPORT**

Indicator 2.1.2	Minor	The Electricity Supply (Amendment) Act 2015 was not updated in the legal register at Ribubonus POM and Ribubonus Estate	The legal register will be updated to include the new amendment of the Act.	Legal register has been updated to include Electricity Supply (Amendment) Act 2015  Status: Closed
Indicator 4.1.2	Minor	The procedure on Palm Trunk Maintenance as per clause 4.0, Chapter 6 (2) of the Wilmar International Limited Agriculture Manual & SOP for Oil Palm was not complied with. The palms in Block 005 had large number of epiphytes on their trunks.	The removal of epiphytes will be carried out once the crop reach to down trend level.	The action plan was not acceptable. Therefore, major NC was raised against this indicator.  Status: Open
Indicator 6.5.3	Minor	Ribubonus CU was carried out workers quarters Inspection by monthly not weekly as per Section 23- Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446).	Weekly inspection to be carried out. Management will increase its support to clinic assistant in conducting the inspection.	The action plan was not acceptable. Therefore, major NC was raised against this indicator.  Status: Open